



OFFICE OF
THE MUNICIPAL
MANAGER

FINAL ANNUAL REPORT



2015 / 2016

“committed to accountable, responsive & transparent governance”

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CHAPTER 1: INTRODUCTION AND OVERVIEW

COMPONENT A:

MAYOR'S FOREWORD AND EXECUTIVESUMMARY: T1.0.1

a. Our Vision

“COMMITTEED TO TRANSPARENT REPORTING”

“A well governed place of opportunities characterised by integrated-employment -creating economy and sustainable functional urban and rural centres for better livelihoods”



Mission Statement

- a) *Nyandeni Local Municipality shall strive for an accountable and transparent governance system that fosters a culture of service and partnership with all our stakeholders and citizenry*
- b) *The Municipal shall provide sustainable quality service delivery and infrastructure.*
- c) *The municipality commits to implement socio – economic development interventions that prioritised rural development whilst ensuring functional urban spaces and infrastructure that supports viable businesses and sustainable human settlements*
- d) *Amongst its priorities, the municipality will strive to foster a strong IGR system to implement rural development and seamless service delivery.*
- e) *Through partnership with traditional council, the council shall ensure proper land use planning and management.*
- f) *The Nyandeni Local Municipality shall strive for financial viability through increased revenue generation, resource mobilisation strategies as well as sound financial management practices.*

Values

- Diligence
- Promptness
- Integrity
- Accountability
- Participative
- Responsive
- Considerate

b. Key policy development

SPATIAL PLANNING AND LAND USE MANAGEMENT ACT

- ☐ The introduction of Spatial Planning and Land Use Management Act, 2013 No. 16 Of 2013 herewith referred as SPLUMA has provided a framework for spatial planning and land use management in the Republic of South Africa, specify the relationship between spatial planning and the land use management system and other kinds of planning. To promote greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications. SPLUMA has therefore implications for the municipality. The municipality should therefore undertake an assessment of the volume and complexity of land development applications that they deal with as well as their CAPACITY to determine the most effective and efficient institutional arrangement to dispose of land development applications.
- ☐ Engage Traditional Leaders to ensure constant interface between Traditional Leaders and councillors to ensure better implementation of the act and restore dignity of communities

LED FUNDING POLICY

Council has approved LED Funding Policy to facilitate support for funding of LED related programmes

MTHATHA-MOUTH LOCAL SPATIAL DEVELOPMENT FRAMEWORK

Mthatha-Mouth LSDF has been developed which is a priority programme for Coastal Development

c. Key Service Delivery Improvements

In the year under review the municipality has made a significant progress in the following strategic areas:

- ☐ Implementation of Electrification Programme
- ☐ Facilitation of Human Settlement
- ☐ The municipality has developed municipal parks for recreation
- ☐ 100% expenditure on Municipal Infrastructure Grant as at 30 June 2016
- ☐ Provision of Free Basic Services approximately 9197 households
- ☐ Preparation and approval of annual budget and Credible IDP for 2016/2017 financial year on time
- ☐ Compilation of indigent Register and provision of free basic services
- ☐ Strengthening of Intergovernmental Relations
- ☐ Improvement on the assessment of Annual report
- ☐ 100% of the Expanded Public Works Grant
- ☐ 100% expenditure of the Integrated National Electrification Programme grant
- ☐ Gravel Road Constructed 115 km and Gravel Road maintained is 89 km, Surfaced 7 km and
Maintained 2 km of surfaced road

- ☐ Compilation and submission of financial statements to the Auditor General and National on time
- ☐ Preparation and implementation of the Audit Action Plan
- ☐ 100% filling of vacant posts in senior management and key critical positions
- ☐ Development of Human Resources Policies
- ☐ Training and development of staff, councilors and unemployed
- ☐ Employment Opportunities through Expanded Public Works and Community Works Programme

Facilitation towards the realization of the following development:

- I. Libode Eco Park funded by the Department of Environmental Affairs at a cost of 12 000 000 has been completed and it's now functioning.
 - II. Ngqeleni Shopping Complex Erf 914 is in progress
 - III. Libode & Ngqeleni Shopping Complex on Erf. 88 is in progress
 - IV. Libode Sport Field & Recreational Centre is still under construction
 - V. Libode Transport Hub is practically complete which means it can be used by the community
 - VI. Completion for sale of site at extension 2 has been completed and beneficiaries are due to receive their title deeds
- ☐ On- going interaction with the District Municipality in matters pertaining to bulk infrastructure including water and sanitation.

d. Public Participation

Council has used the following methods of public participation to enhance public participation

- ☐ Establishment and structural arrangement of Ward Committees
- ☐ Civic Education Programme
- ☐ Functional Community Development Workers
- ☐ Mayoral Imbizo's and IDP and Budget Public Hearings in all wards
- ☐ IGR Forum and use of Clusters, including Roads , Community Safety and Transport Fora
- ☐ Open Council Meeting
- ☐ Consultations with various stakeholders and sectors
- ☐ Use of various media formations in order to give feedback to people of Nyandeni such as radio, taking Council to people, newspaper adverts and open door policy for stakeholders to get a platform to engage on matters affecting them.

e. Future actions

The Municipality will continue to facilitate the following programme:

- ☐ Electrification Programme in collaboration with Eskom and Department of Energy
- ☐ Facilitation of Human Settlement Development in an integrated manner in partnership with

Department of Human Settlement.

- ☐ Operation and Maintenance of existing road network
- ☐ Construction of new access roads
- ☐ Small Town Revitalization Programme
- ☐ Implementation of Back to Basics Action Plan
- ☐ Strengthening of Intergovernmental and Inter-municipal relations
- ☐ Development, Nyandeni Master Plan as a catalyst for development (medium to long term plan – (e.g 2030 vision) and finalization infrastructure sector plans including Integrated Transport Plan and Roads Master Plan
- ☐ Development of Good Governance Framework
- ☐ Roads construction and maintenance programme as per the adopted IDP
- ☐ Implementation of the Revenue enhancement strategy
- ☐ Maintenance of stakeholder relations through public participation mechanisms
- ☐ On-going facilitation of the development initiatives: Libode shopping complex, Office Park
- ☐ Sustaining unqualified audit opinion
- ☐ 100% expenditure on conditional grants (MIG, EPWP, INEP, FMG)
- ☐ Cushioning of indigent households against extreme poverty through implementation of Free Basis Service Policy
- ☐ Strengthening of communication especially election communication strategy
- ☐ Creation of job opportunities through working for coast, Expanded Public Works Programme and Community Works Programmes

f. Agreements and Partnership

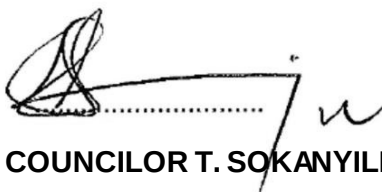
The municipality has entered into partnership with the University of Fort Hare focusing on Agricultural Development whereby they have assisted with the development of Agricultural Sector Plan. Through the agreement with Walter Sisulu University our SMME's have been capacitated and provided with skills.

g. Final thoughts of the year

This Annual Report represent the last report for the .council elected into office in May 2011. We have serve the people of Nyandeni with absolute dedication and commitment. Over this period a lot has been achieved, however, we are the first to appreciate that much more still needs to be done.

Our beloved President Nelson Mandela said "I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are many more hills to climb"

It's for this reason that new council should continue with development trajectory aiming at improving lives of the masses of our people



COUNCILOR T. SOKANYILE
MAYOR

COMPONENT B: EXECUTIVE SUMMARY

BUILDING A PROFESSIONAL, RESPONSIVE AND SERVICE-ORIENTED ADMINISTRATION

1.1 MUNICIPAL MANAGER'S OVERVIEW: T1.1.1

Section 121 of the Municipal Finance Management Act prescribes that every municipality must for each financial year prepare an annual report. Section 121 (3) states that the annual report of a Municipality must include:



- a. the annual financial statements of the municipality;
- b. the Auditor-General's audit report in terms of section 126 (3);
- c. the annual performance report of the municipality prepared in terms of section 46 of the Municipal Systems' Act;
- d. the Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act.
- e. an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
- f. an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives;
- g. particulars of any corrective action taken or to be taken in response to the issues raised in the Auditors' report;
- h. any explanation that may be necessary to clarify issues in connection with the financial statements;
- i. any information as determined by the municipality;
- j. any recommendation of the municipality's Audit Committee;
- k. any other information as may be prescribed.

The IDP which is a contract between Council and the Community expressed the following key programmes for the year under review

- a) Acceleration of infrastructure development (Electrification, Access roads and waste management)
- b) Expansion of Community Works Programme and Expanded Public Works Programme
- c) Readiness for SCOA implementation
- d) Building administration that is professional, accountable and development-oriented
- e) Development of recreational facilities such as Libode Eco Park
- f) Development and approval of Human Resource and Financial Policies.
- g) Enhance public participation programme
- h) Strengthen Intergovernmental Relations

In 2016/17 financial year, the following areas will receive priority

KPA	Priority Programme	Outcome
Financial Viability & Management	Strengthen supply chain management to ensure value for money, efficiency and economy	Outcome 9 (sub-outcome 5)
	Implementation of the revenue enhancement strategy	
	Payment of creditors within 30 days	
	Capacity building and planning for implementation of Standard Chart of Accounts (SCOA)	
	Improve asset management	
Local Economic Development	Agricultural development and food security	Outcome 7
	Implementation of the Spatial Development Framework and Local SDF's	
	Land Use Management	
Small business development	Support to Cooperatives and SMME's	
Institutional Development & Transformation	Review of the existing policies and development of human resources policies	Outcome 9
	Strengthening of the implementation of the performance management framework	
	Implementation of the WSP	
Infrastructure development	Electrification of households and eradicate backlog	Outcome 6
	Provision of sustainable free basic services to indigent households	
	Small town revitalization programme through implementation of beautification programme, town face-lifting and implementation of bylaws	
	Completion of Libode Sports Field and Taxi Hub	
	Operating and Maintenance of existing infrastructure	
Good Governance & Public Participation	Strengthening of Intergovernmental Relations and public participation	Outcome 9
	Vigorous implementation of the Expanded Public Works Programmes and Community Works Programmes	
	Addressing issues emanating from the auditor General's report for 2015/2016 audit	
	Preparation of the Nyandeni Master Plan (2030 vision)	

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL REVIEW: T1.2.1

Nyandeni Municipality is performing the following functions

Part B of Schedule 4	Part B of Schedule 5
1. Solid waste	9. Cemeteries, funeral parlors and crematoria – including the DM function
2. Abattoirs	10. Cleansing
3. Municipal planning	11. Local sport facilities
4. Storm water management system	12. Municipal parks and recreation
5. Public transport	13. Municipal roads
6. Trading regulations	14. Pounds
7. Tourism	15. Public places
8. Building regulations	16. Refuse removals, refuse dumps and solid waste disposal
	17. Traffic and parking
	18. Municipal public works
	19. Beaches and amusement
	20. Billboards and display advertisement in public places
	21. Street trading

POPULATION: T1.2.2

According to Stats SA's Census data Nyandeni Local Municipality had a total population of 274 344 in 2001 which increased at an average annual rate of 0.57% to 290 390 in 2011.

TABLE 1. POPULATION OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2001 AND 2011 [NUMBERS]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	254 590	278 481	0.90%
Port St Johns Local Municipality	147 026	156 136	0.60%
Nyandeni Local Municipality	274 344	290 390	0.57%
Mhlontlo Local Municipality	203 219	188 226	-0.76%
King Sabata Dalindyebo Local Municipality	416 119	451 710	0.82%
O.R.Tambo District Municipality	1 295 298	1 364 943	0.53%
Eastern Cape Province	6 436 765	6 562 053	0.19%
South Africa	44 819 779	51 770 560	1.45%

Source: Stats SA Population census 2001 & 2011

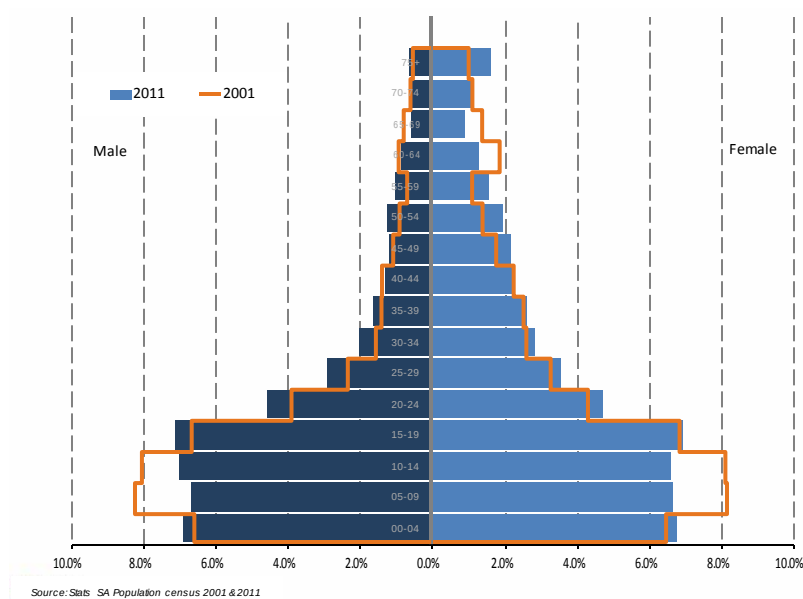
Of the 290 390 people living in Nyandeni Local Municipality in 2011, 45.9% are African male and 53.5% African female. The other population groups make up a small percentage of the total population at 0.6%, with 0.3% being male and 0.3% being female.

TABLE 2. POPULATION BY POPULATION GROUP AND GENDER - NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011

Year	African		Other		Total	
	Male	Female	Male	Female	Male	Female
Total population						
2001	128 168	152 329	366	391	128 534	152 720
2011	133 343	155 341	898	808	134 241	156 149
Percentage of total						
2001	45.6%	54.2%	0.1%	0.1%	45.7%	54.3%
2011	45.9%	53.5%	0.3%	0.3%	46.2%	53.8%

Source: Stats SA Population census 2001 & 2011

It is evident from the figures that the female population in Nyandeni Local Municipality, at 53.8%, is much higher than the male population. This is clearly visible in the population pyramid below. About 55% of the population is youth



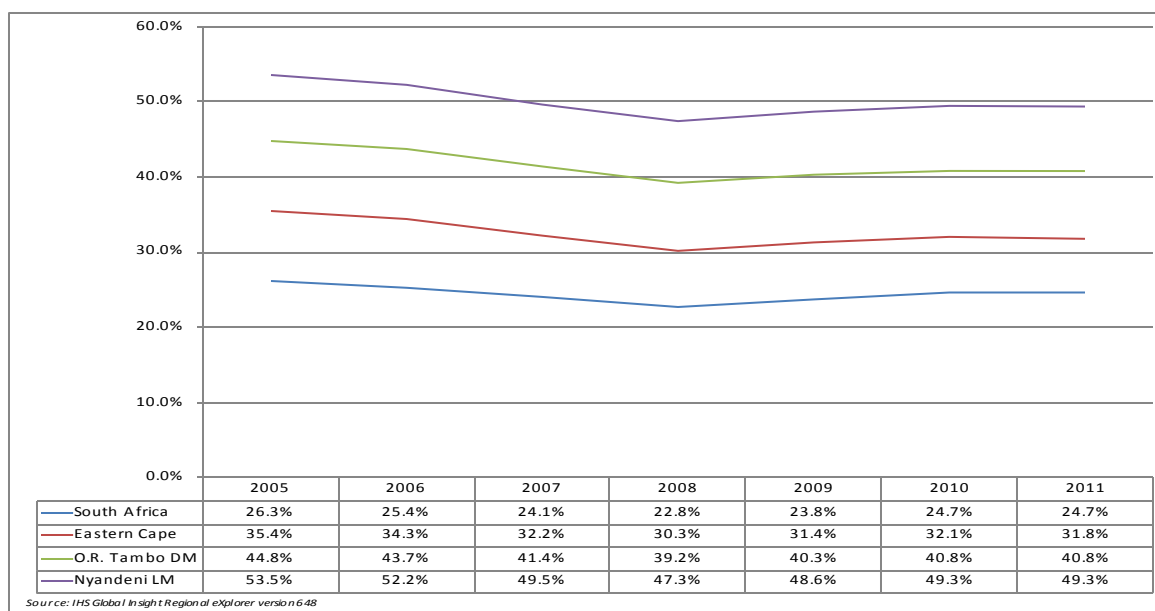
Source: Stats SA Population census 2001 & 2011

HOUSEHOLDS: T1.2.3

There were 55 112 households in Nyandeni Local Municipality in 2001 and 61 647 in 2011. That equates to an average annual growth rate of 1.13% over time. The average household size in 2001 was approximately 4.8 individuals per household as compared to the 4.6 persons per household in 2011. With faster growth in the number of households, compared to the growth in population, in Nyandeni Local Municipality, marginal demand for housing and basic services compared to that of health, education and safety services may be relatively higher.

UNEMPLOYMENT RATE: T1.2.4

The unemployment rate is 49.3%. (Disclaimer- this excludes employment created through Expanded Public Works Programmes, Community and Built infrastructure programmes)



SERVICE DELIVERY OVERVIEW: T1.3.1

Note: The function for the provision of both water and sanitation is the responsibility of the District Municipality.

According to Stats South Africa, Census 2011 and confirmed by Auditor General MFMA Report of 2012/2013 published in 2014, approximately 71% of households have access to electricity, whilst 44% of households have access to piped water, provision of free basic services to indigent households. 100% expenditure on Municipal Infrastructure Grant and 71.3% on Municipality continues to access grant funding from the Integrated National Electrification Programme by Department of Minerals and Energy (INEP)

HIGH IMPACT PROJECTS

ELECTRIFICATION

The main objective is to provide access to and expand electrification to address historical backlogs. In 2015/16 The Department of Energy herewith referred to as DoE allocated 25 million in 2015, a further R9 million has been committed through DORA to expedite provision of electricity in rural without electricity

In 2015/2016, 2 contractors have been appointed to construct infrastructure and connect houses with electrification for 2 wards which are ward 25 and 28 by INEP funding through DoE. The program is managed by the municipality but there are engineers that are responsible for quality management and designs of works to ensure compliance with all statutory requirements.

Below are the projects that were implemented in the previous financial year but are affected by dismantling of SWER line which is under construction scheduled to be completed by August 2016.

Ngqeleni phase 3 electrification -Lucingweni in Ward 20 (237 connections)- MG Electrical Contractor

- ☐ Lucingweni 22030B5 REM - 115
- ☐ Lucingweni 22030B5 EXT -23
- ☐ Lucingweni 22030B4 EXT -79
- ☐ Ntsundwana 22030A6 EXT – 20

Ngqeleni phase 3 electrification – Mpoza located in Ward 25 (571 connections)- A1 Electrical Contractor

- ☐ Mpoza 22028A1 REM -107
- ☐ Mpoza 21094B1 -306
- ☐ Vinishi 2203C1 - 158

Ngqeleni phase 3 electrification (235 connections - Solethu Energy contractor - completed

- ☐ Mpoza 22028A1 -77 connections - not energised
- ☐ Mpoza 21094B2 -71 connections - not energised
- ☐ Lucingweni 22030B5 -87 connections - energised

The following projects were implemented:

<u>WARD 25 and 28 Villages Implemented</u>				
No	VILLAGE	CONNECTIONS	RATE/ CONN.	AMOUNT
1	MZONYANE 22028A3	127	R 17 550.00	R 2 228 850.00
2	MPOZA (B2) 21094 B2 Rem	212	R 17 550.00	R 3 720 600.00
3	MPOZA (A1)	63	R 17 550.00	R 1 105 650.00
4	MPOZA (A2) 22028A2	95	R 17 550.00	R 1 667 250.00
5	NGONJINI	170	R 17 550.00	R 2 983 500.00
6	LWANDILE (B2) 22028B2	233	R 17 550.00	R 4 089 150.00
7	LWANDILE (B3)22028 B1	138	R 17 550.00	R 2 421 900.00
8	MAMOLWENI (D2)2230D2	178	R 17 550.00	R 3 123 900.00
9	MAMOLWENI (D3)2230D3	208	R 17 550.00	R 3 650 400.00
		1424		R 24 991 200.00

2015-2016

WARD	BID NUMBER	PROJECT NAME	PLANNED CONNECTIONS	CONTRACTOR'S/ENGINEER	CONTRACT VALUE	STATUS
	Bid 41/2015	Nggeleni phase3 Mamolweni Lwandile	795	Solethu Energy	R 14 848 485.27	80% complete
25		Lwandile 22028B2	257			
		•Lwandile 22028B3	157			
		• Mamolweni 2203D2	174			
		• Mamolweni 22030D3	208			
	Bid 40/2015	Nggeleni phase3 Mpoza,Ngoini,Mzonyane	627	Bright side electrical	R 11 337 817.20	
25		• Mzonyane 22028A3	102			
28		• Mpoza A2 22028A2	90			
25		• Mpoza B2 21094B2	206			
25		• Ngoini 22028B1	136			
	Cession	Professional services		Gibb		
		Total	1424		R 26 186 302.47	
7	Bid 38/2015	Installation of 6 High mast at Thabo Mbeki		MG electrical	R 3 222 831.79	6 High-Mast Lights installed but are yet to be energised
	BID21/2013	Professional services		AKM	R 219 165.00	
Total					R 3 441 996.79	

ESKOM ELECTRIFICATION PROGRAM

The following projects are being implemented by Eskom

Project name	Contractor	Ward	Connections	Villages/Beneficiaries
Bomvani extensions	KWAJ trading	23	290	☐ Sizani
				☐ Kwanduli
				☐ Gqubeni
				☐ Bomvani
Mthatha mouth	WFJ powerlines	26	525	☐ Ezincukutw
			☐ Mafusini	
			☐ Mngawuza	
			☐ Ntsimbini	
Ncithwa Extension	Brain wave	2	260	☐ Siza
				☐ Mahahane
				☐ Ncithwa
Mthatha Mouth Link line			802	
Ncithwa Link line				
Total connections				
SWER LINE REFURBISHMENT	Stanto Trading	1,4km of SWER line has been dismantled		

The municipality needs an amount of R 89 056 000 to connect 3872 households. The municipality has applied for development funding through DBSA to fast track delivery of electricity infrastructure. The amount applied for is front loading commitment which amounts to R 27 million and this will reduce historical backlog to merely 4% of population. An amount of R41 157 000 is required to do urban electrification to cover the following planned developments.

DBSA has approved the aforesaid amount and currently awaits approval of National Treasury. The amount applied for will cover 1125 households and that will reduce the backlog to 2747 households of historical backlog. Number of households electrified is 57575 households which is 94% of total population within Nyandeni jurisdiction.

Area	Project Name	Category	Planned CAPEX	Phase
Libode	Social Development Centre	315 kVA	R 13 494 000	Construction stage
Libode	Erf 89 Office Park	500kVA	R 6 825 000	Planning stage
Libode	Libode Shopping Centre	3MVA	R7 680 000	Planning Stage
Ngqeleni	Ngqeleni Shopping Centre	3MVA	R 7 680 000	Planning Stage
Ngqeleni	Ngqeleni Residential Houses	100 hh	R 2 100 000	Middle Income Houses
Libode	Libode Ext 2 Residential	66 hh	R 1 287 000	Construct to start in 6 months' time
	Libode township	102 hh	R2 091 000	Planning stage
Total			R41 157 000	

ROADS NETWORK INFRASTRUCTURE

Local Integrated Transport Plan herewith referred as (LITP) and Road Master Plan have been developed to provide policy direction and clarity needed to hold decision making on resource allocation, prioritization of programmes as well as ensuring well thought Integrated Transport Planning and System. The ITP identifies and expressly defines road network, road capital and including required funding. Whilst storm water management reflect storm water management, municipal roads and budget requirements.

N2 WILD COAST HIGHWAY

The project is part of government's Strategic Integrated Project SIP-3. The N2 Wild Coast Road is a catalytic project for the EC is a proposed 560km route between Gonubie (East London) and Isiphingo (Durban).in Nyandeni Local Municipal Area covered at Ntlaza, Corana Junction & Libode. Interchange and weighbridges are currently being built to ensure safety of pedestrians and school children. This project has benefited local communities and local contractors.

Major projects includes

- ☐ Mthatha to Ngqeleni intersection
- ☐ Corana Bridge construction and 2 way 2 lane construction from Mthatha to Corana Interchange
- ☐ Gxulu Intersection Upgrades X 4
- ☐ Construction of pedestrian and/or animal underpass between Corana and Libode
- ☐ Libode Intersection Upgrade
- ☐ Libode Overpass from Qanqu to Libode
- ☐ Libode Interchange
- ☐ Mount Nicholas pedestrian bridge
- ☐ St Barnabas & Ntlaza
- ☐ Libode to Mngazi River – the project entail the construction of a overpass at Qiti and the construction of an agricultural underpass and the upgrading of 3 intersections

Access Roads

According to the Eastern Cape Department of Roads and Public Works Roads Management System the total length of the road network under the jurisdiction of Nyandeni Local Municipality is 1610.5km (99.5) of the roads are unsurfaced and 7.2 km (0.5) are surfaced. The composition of the existing road network is summarised as follows

ROADS CLASSIFICATION			
Road Category	Surfaced	Unsurfaced	Total
National Road	19.93	-	19.93
Provincial Road	79.54	589.97	569,51
Municipal Road	7.22	1603.49	1610.71
Total	106.69	2093.46	2200.15

Achievements

As part of providing access to and connecting communities to various community facilities such schools, clinics and churches the municipality in the year under review has constructed 115 kilometers (km) of new gravel roads as well as 7 kilometers of surfaced roads through alternative technology to enhance new climate change strategies, maintained 2km of surfaced roads as well as maintained 89 km gravel roads. Our efforts and pursuit of improving transport management is beginning to yield good results, in this instance, the municipality has Developed Integrated Transport Plan as well as Road Master Plan. These documents will ensure better planning and allocation of resources and better decision making. We invite communities to participate in the finalisation of these document

Bridges (Completed as part of road construction)

- ☐ Mdzwina
- ☐ Zinduneni to Bandla Low Level Crossings X 2
- ☐ Thembeni

Challenges

Canzibe Provincial road connects communities to Canzibe Hospital and neighboring villages. This road is a provincial roads and falls under the competency of the Department of Roads and Public Works. It is in bad condition. The Department of Roads and Public Works has been engaged with a view to do surfacing. Hluleka Provincial Road leads to coastal area which boasts areas such as Mthatha Mouth and Mdumbi.

Our construction of roads network is dominated by gravel roads which at times easily runs off due to mountainous terrain that is within the area. Due to fund constraints it is difficult to do proper routine maintenance as the municipality does not have adequate resources for maintenance. The municipality is rural dominated hence the revenue is the challenge to ensure maintenance is effected for long life span of roads infrastructure.

INTEGRATED WASTE MANAGEMENT PLAN

Integrated Waste Management Plan was developed and adopted by Council; it serves as the catalyst for environmental management for the Municipality.

In terms of waste collection, the Municipality is collecting in both towns (Libode and Ngqeleni) and has extended collection to peri-urban areas such as Ntlaza, St. Barnabas Hospital, Kop-shop, Taxi Ranks and Mt. Nicholas JSS. Rural areas generally use a range of temporary mechanisms. During 2015/2016 Project Steering Committee and Action Plan for Waste Transfer station has been formed and site clearance has been done. During 2016/17 financial year Waste Transfer Station will be completed.

LAND MANAGEMENT

Council has adopted a land disposal policy which is aimed at guiding land disposal for strategic development and priorities in order to promote local development. The introduction of Spatial Planning Land Use Management Act, herewith referred as SPLUMA demand that municipality should adopt implementation mechanism, in this regard. Systems have been put in place to ensure smooth implementation of SPLUMA. Of great significance is to strengthen relations with Traditional leaders both internal and externally.

The District Municipality is facilitating the implementation of SPLUMA through establishment of Municipal Planning Tribunal which will be the vehicle for approval of Land Development Applications.

HUMAN SETTLEMENT DEVELOPMENT

Provision of Human settlement is the competency of the Provincial Department of Human Settlement. The Department has assisted the municipality in reviewing the Housing Sector Plan which identifies priority projects and indicate budget requirements, inter alia, articulate challenges experienced. The municipality is currently capturing data collected from all wards to ascertain level of backlogs in each ward. Upon completion of this exercise necessary intervention will be implemented.

Challenges summarized

- ☐ Delays within DHS in procurement processes in terms appointing and paying contractors.
- ☐ Poor performance by contractors resulting in completion delays
- ☐ Backlog in basic services (lack of bulk infrastructure)
- ☐ Unlawful occupation of land or land invasion.
- ☐ Shortage of water during construction that delays the completion period for housing development.
- ☐ High increases in material prices.
- ☐ Land Claims
- ☐ Delays in the approval of town planning services and in the survey of the land for housing delivery.
- ☐ Difficult terrain on rural areas.
- ☐ Unavailability of local suppliers within the O.R Tambo region (building material is sources outside the district)

1.4 FINANCIAL HEALTH OVERVIEW

T1.4.1 FINANCIAL OVERVIEW

The municipality had a favourable working capital.

T1.4.2 FINANCIAL OVERVIEW: YEAR 2015/16

Financial Overview: Year 2015/2016			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	304 626	307 408	304 790
Taxes, Levies and tariffs	5 317	5 317	5 605
Other	16 032	36 032	22 623
Sub Total	325 975	348 757	333 018
Less: Expenditure	376 568	400 252	252 373
Net Total*	-50 593	-51 495	80 645
* Note: surplus/(defecit)			T 1.4.2

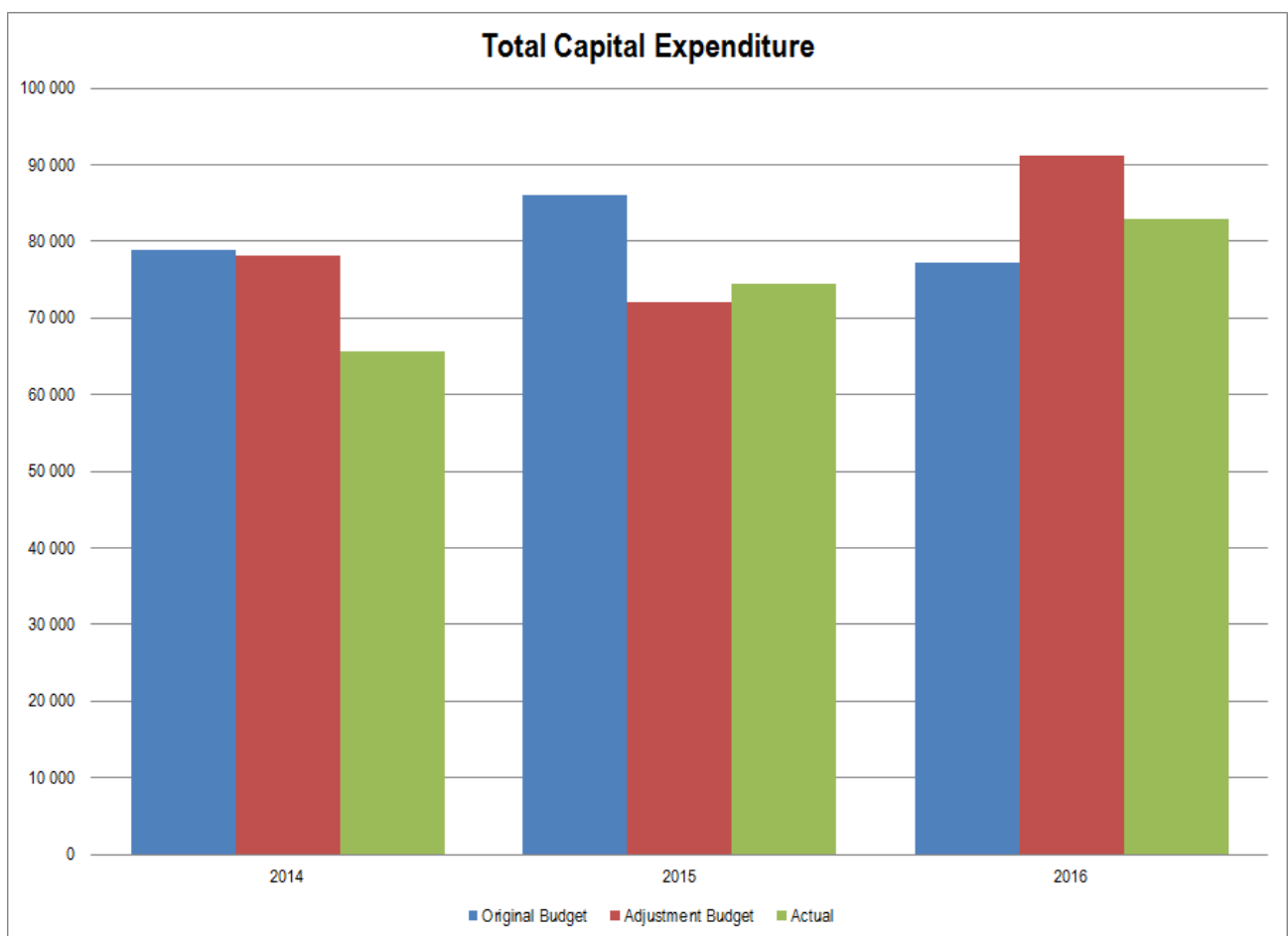
T1.4.3 OPERATING RATIOS

Operating Ratios	
Detail	%
Employee Cost	48%
Repairs & Maintenance	2%
Finance Charges & Impairment	2%
	T 1.4.3

T1.4.4 CAPITAL EXPENDITURE: 2015/16

Total Capital Expenditure: Year 2014 to Year 2016			
	R'000		
Detail	2014	2015	2016
Original Budget	78 898	86 102	77 318
Adjustment Budget	78 225	72 102	91 257
Actual	65 660	74 421	82 942
			<i>T 1.4.4</i>

T1.4.5: TOTAL CAPITAL EXPENDITURE



1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW

T1.5.1 ORGANIZATIONAL DEVELOPMENT PERFORMANCE

The organogram (staff establishment) aligned to the Integrated Development Plan and Annual Budget has been reviewed and adopted by council on 31 May 2016. Training for staff and Councilors is ongoing. The Municipality has reviewed 35 existing policies and developed 4 new ones. In compliance with financial competency regulations, all section 56 managers, municipal manager, budget and treasury staff have either completed the Municipal Finance Management Programme while some are in the process of completing the certificate. Performance Management Policy is in place and implemented.

Individual Performance Assessment

The Municipal Manager and Section 56 Managers have all signed Performance Agreements. Individual Performance Assessment for the Municipal Manager and Section 56 Managers have been conducted for 2014-2015 financial year, similarly, Mid-year Individual Assessment for 2015-2016 has been conducted for the Municipal Manager and Section 56 Managers.

1.6 AUDITOR GENERAL 2014/15:T1.6.1

The Municipality received an unqualified audit report with 3 matters of emphasis, unauthorized expenditure, irregular expenditure (previous year) as well as revenue (Interest was not charged on all accounts in arrears as required by section 64(2) (g) of the MFMA).

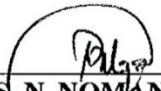
The audit action plan was developed and implemented. Audit Committee and MPAC played meaningful oversight roles in monitoring and reviewing progress.

1.7 ANNUAL REPORT PROCESS

T1.7.1 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 2015/16 Annual Report to Internal Audit and Auditor-General	
5	Audit committee considers draft Annual Report of municipality and entities (where relevant)	August
6	Mayor tables the unaudited Annual Report	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
10	Municipalities receive and start to address the Auditor General's comments	November
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
12	Audited Annual Report is made public and representation is invited	January
13	Audited Annual Report is made public and representation is invited	February
14	Oversight Committee assesses Annual Report	December-February
15	Council adopts Oversight report	February
16	Oversight report is made public	March
17	Oversight report is submitted to relevant provincial councils	March
18	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March

**completion of oversight will be dependent on the tabling of the final annual report due to final audit opinion expected to be issued on 30 November 2016.*


MS. N. NOMANDELA
MUNICIPAL MANAGER

CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

T2.0.1 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Municipality is political stable, that all oversight committees of Council are fully functional. The administrative arm is structured well in order to achieve objectives as set out in the Integrated Development Plan.

2.1 POLITICAL GOVERNANCE

T2.1.1: INTRODUCTION:

Nyandeni Local Council is constituted in terms of section 12 read with section 18 of the Local Government: Municipal Structures Act No. 117 of 1998 and consists of 61 Councilors. 31 are Ward Councilors and 30 are Proportional Representation Councilors. of 61 Councilors, 30 are females. Government gazette no. 26463 has confirmed 12 traditional leaders participating in council. The Municipality is categorized as an executive committee type of a municipality.

T2.1.1 GOVERNANCE STRUCTURES:

In the year under review the following structures were established in terms of section 80 and 79 of the Local Government: Municipal Structures Act.

Structure	Function
Council	Pass policies, budget and tariffs
Executive Committee	To identify the needs of the community Review and evaluate those needs in order of priority Recommend to the municipal council strategies, programmes and services to address priority needs Recommend or determine best methods, including partnership and other approaches to deliver those strategies, programmes and services
Standing Committees	Defined in terms of section. 80 of the Structures Act as Committees to assist Executive Committee or Executive Mayor
Municipal Public Accounts Committee	Appointed in terms of sections 33 and 79 of the Municipal Structures Act: section.79 (1) A Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. - To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report - To compile and table the Oversight Report to Council in terms of section 129 (1) of the MFMA - To examine the financial statements and audit report of the municipality - To promote good governance, transparency and accountability on the use of municipal resources - To perform any other functions assigned to it through a resolution of council within its area of responsibility

Structure	Function
Public Participation and Petitions Committee	- Public participation and petitions - Complaints (local and Presidential Hotline)
Ethics and Members Interest Committee	Councilor Welfare
Audit Committee	Level Audit Assurance (refer to MFMA s166)

T2.1.1 POLITICAL LEADERSHIP

Note: changes in Portfolio by the Members of the Executive Committee are noted in Table T2.1.1.



Chief Whip: Cllr. M. Mtobela



Mayor: Cllr. T. Sokanyile



Speaker: Cllr. S. Qaqa



Portfolio Head: SPU
Cllr. N. Matanda



Portfolio Head: Local Economic Development
Cllr. N. Thiyeka



Portfolio Head: Budget & Treasury
Cllr. Z. Nondlevu



Portfolio Head: Infrastructure
Cllr. Z. Mevana



Portfolio Head: Disaster & Planning
Cllr. P. Godongwana



EXCO in the Office of the Mayor
Cllr. Magxala



Portfolio Head: Corporate Services
Cllr. N. Fodo



Portfolio Head: Public Safety
Cllr. P. Matinise



Portfolio Head: Community Services
Cllr W. Ngaveli

THE EXECUTIVE COMMITTEE: T2.1.1

T2.1.2: Political Parties and traditional leaders represented in Council

Structure	Delegated Function	Executive Committee Member Responsible
Corporate Services Standing Committee	Human Resource Development Administration Health and Wellness Maintenance of municipal buildings	Cllr. N Fodo
Budget and Treasury Standing Committee	Income and Expenditure Supply Chain Management Assets and Fleet Management Financial viability and Management	Cllr. Z Nondlevu
Human Settlement , Spatial development and Disaster management	Spatial Planning Land Use Management Human Settlement Fire Fighting Natural Disasters Provision of Responsive Material	Cllr. Godongwana
Infrastructure development Services	Construction of access roads Maintenance of access roads Electricity	Cllr. Mevana
Local economy and Rural development	Tourism, SMME and Cooperative Agriculture and forestry	Cllr. N Thiyeka
Special programmes , Sports, Arts and Culture	Special Programmes Sports and Recreation Adult programmes Youth programmes Children's programmes Women programmes Sports Arts and Culture	Cllr Matanda
Community Services, Waste & Traditional Affairs	Waste management Social programmes (SASSA, DOSD, DOH, any government Department charged with basic services delivery) HIV/AIDS Free Basic Services Public Amenities (libraries, cemeteries, pounds) Early childhood Development	Cllr W Ngaveli

Structure	Delegated Function	Executive Committee Member Responsible
Public Safety	Traffic Management Road Safety Law enforcement Security services Community Safety Drivers' Licensing	Cllr Matinise
Support to Office the Mayor	-	Cllr Magxala

T2.1.2: Political Parties and traditional leaders represented in Council

Party	Total Seats	Ward Seats	PR Seats
African National Congress	53	31	22
UDM	4	-	4
COPE	2	-	2
DA	2		2
Traditional leaders	12	-	-
Total	73	31	30

MUNICIPAL OVERSIGHT

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE COMPOSITION (MPAC)



TOP LEFT : Cllr. Devete Noxolo, Cllr Ngangaza Nowam, Chief Gwadiso Landela, Cllr. Mabuya Jamangile Cllr. Khumalo Mike, Cllr Malindi Nosandla ; Cllr Lumko Madodomzi

Mandate

The mandate of the Municipal Public Accounts Committee is set out in the Constitution, various Local Government legislations and Committee Terms of References as adopted by Council Article 3 which prescribe as follows:

The Mandate of MPAC is to

- Interrogate the record of activities in each Financial Year, determine linkages between Strategic Plans [IDP], Budget, SDBIP and Annual Report.
- Establish deficiencies, omissions, variation, deviations and reasons thereof and corrective measures.
- To hold Executive accountable and to ensure effective use of Municipal resources and enhance public awareness of the financial and performance issues of the Municipality.
- Consider Annual Report and that of the Municipal Council and its entity, prepare and present its Oversight Report.
- To promote transparency and public accountability.
- To review any proposals for improving efficiency, effectiveness and economy in the financial sphere of the organization

Sittings of MPAC

Status of the meeting	Detail/purpose	Date
Ordinary Meeting	Compilations of work plan, and Mid-year report	21 July 2015
Special Oversight meeting	In-year departmental engagement	06 August 2015
Oversight Session	Alignment and non-alignment – interface with departments	15 September 2015
Oversight Session	Oversight Planning meeting	05 November 2015
Oversight Meeting	Departmental Engagement	30 Nov- 3 December 2015
Ordinary Meeting	Ordinary items	02- 03 February 2016
Oversight Meeting	Oversight Meeting	08 April 2016

Analysis of attendance by MPAC Members

Innitial and Surname of a Councillor	21/07/15	06/08/15	15/09/15	05/11/15	30/11/15	01/12/15	02/12/15	03/12/15	02/02/16	03/02/16	08/04/16	%
J. Mabuya	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	☒	100%
M. V. Khumalo	☐	☐	☐	☒	☐	☐	☐	☐	☐	☐	☒	18%
M. Q. H. Lumko	☐	☒	☒	☒	☐	☐	☐	☐	☒	☒	☐	45%
N. S. Ngangaza	☒	☐	☐	☒	☒	☒	☒	☐	☐	☐	☒	55%
N. N. Devete	☒	☐	☐	☐	☐	☐	☐	☐	☐	☐	☒	18%
N. Malindi	☒	☒	☐	☒	☒	☒	☒	☒	☒	☒	☒	90%
M. Mkrokelwa	☐	☐	☐	☐	☒	☐	☐	☐	☒	☒	☐	27%
L. Gwadiso	☐	☒	☒	☐	☒	☒	☒	☒	☒	☒	☐	73%

AUDIT COMMITTEE MEMBERS



FROM LEFT: Chairperson: Mr.S.Mbalekwa, Member,Mr. G Labana,Member,Ms. T. Mqobi and Member ,Mr. Galada

SUMMARY OF ACHIEVEMENTS

- Conducted substantive oversight sessions for the year ending 30 June 2016
- Conducted joint MPAC meetings
- The audit committee has played a meaningful role in performance assessment of Sec 56/57 Manager

FUNCTIONALITY OF AUDIT, PERFORMANCE AND RISK COMMITTEE

Number of Audit committee meetings for 2015/16 Financial Year

DATE	STATUS	MATTERS
02 July 2015	Special Meeting	Approval of charters
25 August 2015	Special Meeting	Consideration of Annual Financial Statements
21 October 2015	Ordinary Meeting	Various
10 February 2016	Ordinary Meeting	Compliance reports
15 March 2016	PMS Workshop	PMS Workshop
22 April 2016	PMS meeting	
14 June 2016	Ordinary meeting	Various
15 June 2016	Ordinary Meeting	Various

Name	Designation	02 nd July 2015	25 th August 2015	21 st October 2015	10 th February 2016	14 th June 2016	15 th June 2016
S. Mbalekwa	Chairperson	☐	☐	☐	☐	☐	☐
L. Galada	Member	☐	☐	☐	☐	☐	☐
G. Labane	Member	☐	☐	☐	☐	☐	☐
T. Mqobi	Member	x	x	x	x	x	x

Adv T Mqobi has found it difficult to attend meetings due to her other duties as an advocate.

T2.1.3 POLITICAL DECISION-TAKING

Council is the outmost decision maker with the Mayor being the head of the administration politically. The Municipality is an executive type where the Mayor chairs the Executive Committee and tables recommendations to Council.

2.2 ADMINISTRATIVE GOVERNANCE

T2.2.1 TO T2.2.2 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The administration is headed by the Municipal Manager who is assisted by the heads of departments constituted as follows:

Directorate: The Municipal Manager: **Mrs. N. Nomandela**
 Directorate: Office of the Municipal Manager: **Mr. L Madzidzela**
 Directorate: Community Services: **Mr. G.M Zide**
 Directorate: Budget and Treasury Office **Mr. B. K. Benxa**
 Directorate: Infrastructure Department **Mr. Q.F.Q Madikida**
 Directorate: Corporate Services Department **Mr. S Mvunelo**
 Directorate: Planning and Development Department **Mr. G.N Cekwana**

Department: Office of the Municipal Manager Functions of the Department

Planning and policy development
 Internal auditing
 Legal Services
 Fraud prevention and risk management
 Monitoring and Evaluation
 Public participation
 Governance and council support
 Special Programmes
 Developmental communication
 Intergovernmental Relations



Title: Municipal Manager
Name: Mrs. Nomalungelo Nomandela



Title: Senior Manager Operations
Name: Mr. L. Madzidzela



Title: IDP Manager
Name: Mr. N A Mcingane



Title: Manager Legal Services
Name: Mr. G Nomqonde



Title: Manager Internal Audit
Name: Mrs. S Hlehliso-Mandla



Title: Council Secretary
Name: Mr. L Ndamase



Name: Ms. B Bawu-Ncoyini
Title: M & E Manager



Title: Manager Communications
Name: Mr. V Ndamase

DEPARTMENT: BUDGET AND TREASURY OFFICE
Functions of the Department

- Budget Management and Reporting
- Revenue and Expenditure Management
- Supply Chain Management

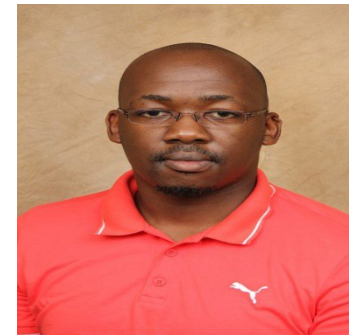


- Asset Management



Title: Chief Financial Officer

Name: Mr Bongani Benxa



Title: Supply Chain Manager

Name: Mr. Zimvo Madyibi

Title: Manager Budget and Treasury

Name Mr. M Mhlifili

DEPARTMENT: PLANING AND DEVELOPMENT

Functions of the Department

LED and Tourism
SMME and Cooperative
Agriculture and forestry
Spatial Planning
Land Use Management
Human Settlement
Fire Fighting
Natural Disasters
Provision of Responsive Material



Title: Senior Manager Planning and Development

Name: Mr. G.N Cekwana

Title: Manager Spatial Planning

Name: Mr.A.Zithutha



Title: Manager LED
Name: Ms. B Ngqongwa



Title: Manager human Settlement
Name : Ms F.Mgwedane

DEPARTMENT: COMMUNITY SERVICES

Departmental functions:

Community Services

Waste Management

HIV/AIDS

Social programmes

Pauper programme

Amenities (pound and cemetery)

Early Childhood Infrastructure Programme

Library Services

Public Safety

Law enforcement

Security services

Traffic services

Drivers' License Testing Centre

Crime Prevention in partnership with SARS

Free Basic Services



Title: Manager Community Services
Name: Rev J. Skhuni



Title: Senior Manager Community Services
Name: Mr G. Zide



Title: Chief Law Enforcement Officer
Name: Mr. S Maghekeza

DEPARTMENT: INFRASTRUCTURE

Functions of the Department

Road construction
Road maintenance
Electrification Programme (internal budget and INEP)
Coordination of Expanded Public Works Programme



Name: Mr. J Yengane
Title: PMU Manager



Name: Mr Q.F.Q Madikida
Title: Senior Manager Infrastructure



Name: Mr T. Matikita
Title: Manager: Maintenance

DEPARTMENT: CORPORATE SERVICES

Human Resource Development
Administration
Health and Wellness
Maintenance of municipal buildings



Name: S Mvunelo

Title: Senior Manager Corporate Services



Name: Mrs. T Koka

Title: Manager Human Resources

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS: T2.3.0 –T2.3.4

Code	Indicator name	Indicate achievement	Achievement percentage during the year
4	Existence of an IGR strategy	IGR Forum Terms of reference has been adopted.	100%
5	Effective of IGR structural meetings	The Municipality has a functional Intergovernmental Relations.in the year under review 4 quarterly IGR Forum were convened.	75%
		Support by the Provincial Government - The Provincial Treasury continue to support the municipality in an effort to implement SCOA by July 2017. - COGTA supported the municipality with the voting station infrastructure - DEA is implementing Working for the Coast Programme at a cost of R12 million - DEA supported the municipality with development of municipal parks.	100%
		Support by the district municipality	100%
8	Existence of a fraud prevention mechanism	A Fraud Risk Management Policy and Whistle Blowing Policy adopted by council on 31 May 2016. Fraud Risk Register has been developed and adopted by Risk Management Committee. Awareness workshops to councillors and municipal employees have been conducted. In the year under review no fraud and corruption reported. Equally no disciplinary hearings conducted	100%
		Support by the SALGA SALGA has supported the municipality in improving performance management systems and implementation of individual assessment	100%

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

T2.4.0 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

All wards have functional ward committees chaired by Ward Councilors. Ward Committees meet once in a month to discuss ward based service delivery issues. In the year under review these committees have played a pivotal role in IDP process including identification of projects. Ward Councilors' Forum has been established as a platform to share information, to monitor and receive progress reports from wards.

2.4 PUBLIC MEETINGS

T2.4.1 COMMUNICATION, PARTICIPATION AND FORUMS

Indicator name	Indicate achievement	Achievement percentage during the year
Existence of an effective communication strategy	Communication strategy was developed and submitted to Council on 31 May 2016. A communication plan to communicate developmental information and service delivery models is in place. The main objective is to inform and educate society on matters relating to development. In this regard, communication messages were developed, these include, democratisation of the local sphere through community education and voter education, dealing with service delivery protests, communicating government work on programmes such as ; • Integrated Transport Plan – Development R61 route and transport Hub in Libode, facilitation of transport forum • Consumer Education Programme on Human Settlement • Electrification Programme and Free Basic Services	100%
Number of mayoral Imbizos conducted	2 Mayoral Imbizo's were conducted	100%

Ward Committee's establishment and functionality

Indicator name	Indicate achievement	Achievement percentage during the year
% of ward committees established	The municipality has 31 wards with 310 Ward Committee Members functional and participates actively in the Integrated Development Planning Processes	100%
% of ward committees that are functional	Ward Committee training was convened in collaboration with OR TAMBO DM focusing on ward communication, mediation and conflict resolution. 100 committee members participated	100%
Back to Basics	The municipality has adopted and implementing Civic Education Programme at ward level. The purpose of the civic education programme is to educate and create awareness on municipal	80%

Indicator name	Indicate achievement	Achievement percentage during the year
	developmental programmes as well articulating the and role and responsibilities of communities in a developmental local government	
	Support to ward committees a) Allocated cell phones to all Ward Committees members b) R1500.00 stipend paid monthly to 31 Ward Administrators c) R780.00 stipend paid monthly to 310 Ward Committee members d) The municipality is further responsible for Ward Committees transport cost when attending Municipal activities e) Provision of R220,00 airtime and hundred SMA's for each Ward Committee member monthly	100%

T2.4.2: MEETINGS OF WARD COMMITTEES

ALL WARD COMMITTEE MEETING DATES FOR 2015/2016												
WARD	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016
1	13	14	18	14	19	10	11	12	11	12	03	16
2	16	19	09	15	13	08	12	12	16	19	18	17
3	13	14	14	13	16	04	11	09	07	12	16	17
4	07	17	09	13	16	01	11	09	18	14	09	07
5	15	18	11	06	19	10	08	05	14	11	20	20
6	13	14	10	09	16	04	08	12	14	07	09	10
7	06	18	07	12	11	07	11	08	11	11	09	16
8	10	20	15	15	16	02	08	11	16	14	11	09
9	14	19	14	22	20	10	12	20	18	20	20	20
10	09	20	10	13	16	04	08	12	14	14	12	14
11	13	13	14	14	18	03	11	18	14	14	20	13
12	17	19	18	19	19	09	12	23	16	15	17	17
13	17	12	11	16	17	09	12	11	14	18	16	13
14	17	18	18	16	18	10	12	18	18	19	18	17
15	17	20	17	09	17	04	12	15	16	19	20	15

16	10	11	11	11	11	07	11	10	18	13	12	14
17	17	07	04	09	16	04	12	05	14	08	20	20
18	16	17	17	19	11	15	08	18	15	14	19	20
19	13	06	07	06	16	02	08	08	09	07	19	15
20	13	12	07	15	16	09	08	19	10	07	09	20
21	15	12	07	12	18	09	11	19	07	11	09	13
22	17	17	18	15	20	06	10	08	18	20	20	20
23	06	17	10	09	10	03	11	20	14	19	17	20
24	13	12	14	12	17	07	12	12	11	12	16	14
25	14	13	08	14	10	03	11	12	14	12	16	15
26	09	12	16	15	12	03	12	09	09	19	23	16
27	17	04	14	15	13	01	08	09	16	06	17	15
28	13	24	09	13	10	02	08	17	15	07	18	17
29	14	14	11	14	11	03	08	18	14	14	13	16
30	02	17	08	06	10	08	06	12	14	12	16	14
31	14	13	14	07	12	10	11	08	10	04	19	20

2.5 IDP PARTICIPATION AND ALIGNMENT

T2.5.1

IDP Participation and Alignment Criteria*				Yes/No
Does the municipality have impact, outcome, input, output indicators?				Yes
Does the IDP have priorities, objectives, KPI's, development strategies?				Yes
Does the IDP have multi-year targets?				Yes
Are the above aligned and can they calculate into a score?				Yes
Does the budget align directly to the KPIs in the strategic plan?				Yes
Do the IDP KPIs align to the Section 56 Managers				Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?				Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes				Yes
Were the indicators communicated to the public?				Yes
Were the four quarter aligned reports submitted within the stipulated time frames?				Yes
*Section 26 Municipal Systems Act 2000:				
Overall satisfaction with:				
(a) Municipality				yes
(b) Municipal Service Delivery				yes
(c) Mayor				yes
Satisfaction with				
(a) Refuse Collection				yes
(b) Road Maintenance				yes
(c) Electricity Supply	Some period protests			yes
(d) Water Supply	District Municipality function			no
(e) Information Supplied by Municipality to the public				yes
(f) Opportunities for consultation on municipal affairs				yes
*The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				

COMPONENT D: CORPORATE GOVERNANCE

The municipality promotes good corporate governance through risk management; anti-corruption and fraud as well supply chain management.

2.6 RISK MANAGEMENT:

T2.6.1 RISK MANAGEMENT

MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. Risk Management Unit was established and appointment of Risk Management Officer was done in May 2013 and is functional reporting to the Office of the Municipal Manager. Risk Management Framework, Policy and Risk Management Charter developed and approved. Risk Management Committee has been established and is composed of all Senior Managers. Mr. Bongani Mbewu was appointed as the chairperson of the Risk Committee on 05 March 2015 for a period of 3 years.

The Municipality Identified the Strategic Risk and Operational Risk for 2015/2016 Financial Year. The following top ten risks were extracted from strategic risk register. Action Plans with time frame was made for both strategic and operational risk register in order to that risk are mitigated.

The Risk management plan, risk committee management charter, risk management strategy and risk profile have been developed and submitted to audit committee and Council

Rating		Risk	Risk Category/Focus Area	Impact	Progress
1.		Infective implementation of PMS	Performance Management	High	Yes
2.		Under-collection of revenue	Financial Risk	High	Yes
3.		Value for money not considered	Compliance	High	Yes
4.		No long term vision planning	Municipal Planning	High	No
5.		Ineffective identification of housing beneficiaries	Human Settlements	High	Yes
6.		Lack of integrated IT Systems	Information and knowledge management	High	No
7.		Non-implementation of existing By-laws	By-laws	High	No
8.		Non-achievement of defined objectives	Institutional PMS	High	Yes
9.		Damage to ICT related infrastructure (physical and / or technological		High	Yes
10.		Lack of ICT Governance	Information and knowledge management	High	Yes

MEETINGS OF THE RISK COMMITTEE

NATURE OF A MEETING	DATE
Ordinary Risk Committee Meeting	28 September 2015
Ordinary Risk Committee Meeting	16 October 2015
Ordinary Risk Committee Meeting	3 February 2016
Ordinary Risk Committee Meeting	09 June 2016

2.7 ANTI-CORRUPTION AND FRAUD

T2.7.1 FRAUD AND CORRUPTION STRATEGY

Fraud Risk Management Policy and Whistle Blowing Policy has been adopted by Council on 31 May 2016. Trainings and awareness campaign for employees and councilors conducted Registers for disclosure by staff and Councilors are in place.

2 8 SUPPLY CHAIN MANAGEMENT

T2.8.1 OVERVIEW SUPPLY CHAIN MANAGEMENT

The Municipality reviewed Supply Chain Management (SCM) Policy on the 28th May 2015 aimed at assisting service delivery in a cost effective manner. The Supply Chain Management Unit has been fully established, all posts in the SCM are filled. Training of Bid Committees and SCM officials has been conducted. SCM related issues raised by the Auditor General's report of 2014/2015 are being addressed.

2.9 BY-LAWS

T2.9.1BY-LAWS INTRODUCED IN 2015/16

By-laws Introduced during the year 2015-16					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication:
Parks and recreation By-law,	N/A	Yes	-	Yes	07 August 2015
Review of the undeveloped sites by-law,	Undeveloped sites by-law	Yes	-	Yes	07 August 2015
Advertising signs by-law					07 August 2015

2.10 WEBSITE

T2.10.1 MUNICIPAL WEBSITE: CONTENT AND CURRENCY MATERIAL

Municipal Website: Content and Currency of Material		
Documents published on the municipality's / Entity's website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related document	Yes	27 February 2016
All current budget-related policies	Yes	28 May 2016
The previous annual report (Year -1)	Yes	27 January 2016
The annual report (Year 0) published/to be published	Yes	14 February 2016
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (year0) and resulting scorecards	Yes	15 May 2016
All service delivery agreements (Year 0)	None	
All long-term borrowing contracts (Year 0)	n/a	
All supply chain management contracts above a prescribed value (give value) for Year 0	yes	12 March 2016
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during year 1	none	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	none	
Public-private partnership agreements referred to in section 120 made in Year 0	none	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	Quarterly
Publication of the approved Service Delivery and Budget Implementation Plan for 2015/2016 financial year	yes	18 June 2016
Publication of the approved Service Delivery and Budget Implementation Plan for 2015/2016 financial year	yes	June 2016
Publication of the quarter 1 performance information report together with MFMA s52(d) report	Yes	19 October 2016
Publication of the Mid-year Assessment report, adjustment budget and revised SDBIP	Yes	19 January 2016
Publication of the quarter 3 performance information report together with MFMA s52(d) report	Yes	09 April 2016
Publication of the quarter 4 performance information report together with MFMA s52(d) report	Yes	17 July 2016
Publication of the Annual Report for the period ending 30 June 2015	Yes	09 September 2016
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Public satisfaction survey conducted in the year under view.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE REPORT PART 1

COMPONENT A: BASIC SERVICES

T3.1.0: INTRODUCTION TO BASIC SERVICES:

Service delivery in the municipality is basically about addressing backlogs that were inherited during and after democratic achievement by the state. Basic services are provided through access to electricity, water, waste water (sanitation), roads, solid waste management, and housing (human settlement). The municipality has approximately achieved 80% access to electricity which makes it possible to achieve the universal access to electricity by 2016. The municipality works with ESKOM to provide and construct for electricity provision. The municipality also works with Department of Economic Development, Environmental Affairs, and Tourism to ensure the municipality complies with the new NEMA regulations. The municipality with DEDEAT and South African National Parks ensures that the municipality does not transgress to environmental legislations and preserve the environment. Department of Roads and Public Works (DRPW) operate with the municipality to ensure maintenance of roads and bridges is provided through Roads Forum. The municipality has achieved the planned kilometers in both maintenance and construction. The municipality has a satisfactory coverage for roads accessibility though there major challenges with budgets on projects funded and managed by DRPW.

The water is provided by OR Tambo District for both maintenance and capital programmes. The district municipality is both the service provider and water service authority. Department of Human Settlement (DoHS) is responsible for budgeting for houses that are to be built with the municipal area. The coverage is below demand as there is a slow programme when the projects are on construction. The municipality works with DoHS through housing strategy to ensure that houses identified for housing construction are informed by Housing Sector Plan.

3.1 WATER PROVISION AND 3.2 WASTE WATER/ SANITATION

T3.0.1-3.2.10

The District Municipality is both Water Services Authority and Water Services Provider. The following information has been received from OR Tambo District Municipality for their annual performance during the financial year under review. OR Tambo provides the information through standing committees and formal and informal meetings when requested by Nyandeni Local Municipality. OR Tambo District Municipality is invited and provides presentation of progress and planned projects for the MTEF period. The OR Tambo plans on its IDP for the projects and does not directly plan with NLM during planning processes. Financial management of all water services (Provisioning and authorization) lies with OR Tambo DM. Rates regarding water and sanitation are collected and managed by OR Tambo DM without involvement of NLM.

The Roads and Electricity forums organized by OR Tambo DM are used as platforms where Nyandeni LM engages with the district and escalate their priorities and challenges on projects being implemented and the ones that are to be implemented under planning. The platform also assists the District Municipality to understand areas that need primary attention on maintenance challenges on the existing infrastructure. District Municipality uses the platform to inform the Municipality of their plans and their change in plans if they are to change any plans during financial year based on budget availability. Maintenance staff from OR Tambo DM is based at our offices for maintenance and they are seconded for our municipal maintenance of water and sanitation.

PROGRESS ON IMPLEMENTATION OF WATER AND SANITATION

(INFORMATION TO BE UPDATED ON FINAL REPORT FROM OR TAMBO DISTRICT MUNICIPALITY)

3.3 ELECTRICITY

T3.3.1 INTRODUCTION TO ELECTRICITY

Eskom is the Provider of electricity; however, the Municipality accesses the funding directly from the Department of Energy through National Electrification Programme. The municipality does not have the distributing license hence all electricity is prepaid. The areas identified not to have electricity are provided paraffin by the municipality to compensate unavailability of electricity. We did not achieve the 2014 target for electrification due to financial constraints. Currently the municipality has an access of more than 80% in electrification. We only provide grid electrification as we do not have capacity to implement other methods of electrification. Grid electrification has gained trust from communities based on its reliability and exposure it has gained. The maintenance of street lights in towns is done by municipal team and funding for maintenance is provided by the municipality. Construction for household electrification is outsourced to Contractors and the funding is provided by Department of Energy. Through IGR ESKOM is invited to present their projects and planning for the MTEF. Households without access to electricity are provided an alternative energy through the Free Basic Services Programme.

Nyandeni Electrification Plan

Munic	Project Name	Planned CAPEX	# Planned H/H	YTD Actual Capex	YTD Actual H/H
Nyandeni	Bomvana Exts	R 7 315 000.00	385	0	0
	Bomvana Ext Link line	R 750 000.00		0	0
	Mthatha Mouth	R 9 485 668.00	501	R 4 495 248.00	0
	Ncithwa Exts	R 4 543 500.00	233	0	0
	Ncithwa Exts Link Line	R 1 500 000.00		0	0

	Nyandeni Exts				
	Nyandeni Infills	R 240 000.00	20	R 39 823.00	0
	Nyandeni ward ext	R 359 667.00		0	
Total Nyandeni		R 24 193 835.00	1139	R 4 535 071.00	0

PROJECT IMPLEMENTATION PROGRESS IN 2015-2016

No	VILLAGE	NUMBER OF CONNECTIONS	AMOUNT	CURRENT STATUS
1	MZONYANE 22028A3	127	R 2 228 850.00	Construction currently on site
2	MPOZA (B2) 21094 B2 Rem	212	R 3 720 600.00	
3	MPOZA (A1)	63	R 1 105 650.00	
4	MPOZA (A2) 22028A2	95	R 1 667 250.00	
5	NGONJINI	170	R 2 983 500.00	
6	LWANDILE (B2) 22028B2	233	R 4 089 150.00	
7	LWANDILE (B3)22028 B1	138	R 2 421 900.00	
8	MAMOLWENI (D2)2230D2	178	R 3 123 900.00	
9	MAMOLWENI (D3)2230D3	208	R 3 650 400.00	
TOTAL		1424	R 24 991 200.00	

Challenges majorly experienced in electrification are as follows:

- o Sparse development of rural areas which affect the and reduce number of households to benefit on the allocated funds;
- o Funding allocation strategy developed to be bias in highly dense population therefore affecting rural municipalities;
- o Rapid Growth on population during construction of electrification programme;
- o Indigent register not used as a base of service delivery for basic service;
- o Theft of material leading to continuous maintenance of street lights;
- o Delays by ESKOM to provide outages and information on constructed projects;
- o Delays by ESKOM to dismantle SWER line and connect it to 3 phase line which has high capacity to provide for households within the area;
- o Mountainous terrain increasing rate per household connection due to terrain, this also affect the access causing delays in construction

T3.3.4 HOUSEHOLDS-ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM

T3.3.5: ELECTRICITY SERVICE DELIVERY POLICY OBJECTIVES FROM IDP

FOCUS AREA	STRATEGIC OBJECTIVE	STRATEGY/PROJECT TITLE	PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
54 Electrification NYANDENI LOCAL MUNICIPALITY	To provide electricity to all outstanding households and new settlements	Ngqeleni Phase 3	Number of Households provided with infrastructure	Electrification of extensions and maintenance	Provision of infrastructure for Electrification of 1424 households	Completion Certificate; Close out Report	Project currently at 90% complete.	Deviated	Delays in energization of projects by Eskom	Project to be completed by August after completion of SWER line
		High mast Street lights 6	Number of high mast installed	6 high mast	6 high mast installation	Completion Certificate	6 High mast installed but not energised.	Achieved	This is a multiyear project to be completed in the next FY 2017/2018.	Project to be completed on September after connections of energizing
		Maintenance of Street Lights	Number of Street Lights maintained	Maintenance of 100 street lights	-	Progress report on 100 street lights maintained	598 Street lights were maintained	Achieved	-	-
		Maintenance of Municipal Amenities	Number of routine maintenance conducted	Progress Report on Maintenance	Quarterly routine maintenance of (Maintain Libode and Ngqeleni Offices; traffic Department; town halls; cemeteries;	Quarterly Progress reports	Routine maintenance of cemeteries was done	Achieved	-	-

					pounds)					
		As per ESKOM projects on IDP	number of progress reports from ESKOM on Electrification	4 Progress reports from ESKOM	-	Copy of 4 Progress report	Meetings held with Eskom were held 3 times in this quarter	Achieved	-	-

Households - Electricity Service Delivery Levels below the minimum						
Description	Year -3 (12/13)	Year -2 (13/14)	Year -1 (14/15)	Year 0 (2015/16 FY)		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	0	597	1424+1139 ESKOM	R49 200 000.00	R26 000 000. 00	R 26 000 000.00
Households below minimum service level	0		0	0	0	
Proportion of households below minimum service level	0		0	0	0	
Informal Settlements						
Total households	58647	597	1424+1139	1424 + 1139	Nil	
Households below minimum service level	R11 770.00	R 19 673 000.00 + ESKOM R18 193 000.00	R 4000 000.00 NLM+ R22 906 412.0 0	R 25 000 000 NLM + 24 200 000.00	R 25 000 000 NLM	R 26 000 000 NLM + 24 200 000.00
Proportion of households below minimum service level	95%	1%	2%	2%	25	

Electricity Service Policy Objectives Taken From IDP									
Service Objectives/ Service Indicators	Outline Service Targets	Year -1: 2015/16		Year 0: 2015/16			Year 1: 2016/17	Year 3	
		Target	Actual	Target		Actual	Target		
		Previous Year		*Previous Year	Current Year		Current Year	Current Year	Following Year
Electrification									
To provide electricity to all outstanding households and new settlements	Number of Households Connected	1195	Nil	1424 +1139	1501		1639	1639	1639

T3.3.6: EMPLOYEES: ELECTRICITY SERVICES

Employees: Electricity Services :T3.3.6						
	14/15		15/16			
TASK GRADE	EMPLOYEE NO	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %	
8	1	1	1	0	0	
11	2	2	3	0	0	
TOTAL	3	3	3	0	0	

T3.3.7 FINANCIAL PERFORMANCE: 2015/16: ELECTRICITY SERVICES

Financial Performance Year 2016: Electricity Services						R'000
Details	2015	2016				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	27 537	25 000	28 060	28 060	12%	
Expenditure:						
Employees	-	-	-	-		
Repairs and Maintenance	-	-	-	-		
Other	15 484	25 000	28 060	22 207	-11%	
Total Operational Expenditure	15 484	25 000	28 060	22 207	-11%	
Net Operational Expenditure	-12 053	-	-	-5 853	100%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T 3.3.7

T3.3.8: NO CAPITAL EXPENDITURE

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

T3.4.1: INTRODUCTION TO WASTE MANAGEMENT

In terms of the South African Constitution (Act No. 108 of 1996), waste management services delivery is a local government function. Hence, therefore Nyandeni Local Municipality is responsible for providing refuse removal service to its area of jurisdiction. Waste removal services refer to removal of general waste which can be grouped into domestic waste, commercial waste and garden waste.

Refuse removal service is provided to two urban areas Libode and Ngqeleni. This service is mainly provided in the municipal area that covers commercial and residential areas. The service

has been expanded to Ntlaza, Ziphunzana, St. Barnabas Hospital, Kop-shop, Taxi Ranks, Corana and Mt. Nicholas JSS. Refuse skip bins are used as drop-off centers along N2 and R61 routes (Ziphunzana and Corana) also for business collection. Nyandeni Local Municipality had purchased a skip loader truck for the collection of all its skip bins within its area of jurisdiction.

A refuse compactor truck is used to collect all waste collected in refuse bags and transported to the waste disposal site at Libode. Waste is collected daily from the CBD area, twice a week from Ntlaza, and once a week from domestic households and Mt Nicholas. The households are provided with black refuse bags while cement refuse bins are used in the commercial area. Nyandeni Local Municipality have conducted twenty (20) awareness campaigns including school awareness and in conjunction with Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) on Biodiversity and importance of three 3R's for waste hierarchy. We have supplied four Schools with color Coded trolley bins for recycling purposes (Mt. Nicholas JSS, Bhhekizulu, Ngqeleni Village and Ngqeleni S.S.S.). We have again provided two Cooperatives from both Ngqeleni and Libode with Trolley cage bins for the purposes of recycling.

Nyandeni Local Municipality have currently appointed Scientific Roets Engineering for the preliminary Design and lining for Construction of the Landfill site for Libode. We have been currently granted Landfill site license for Libode. The site has never been operational and is due for construction within the 2016/17 financial year. Waste Transfer Station has been registered under Norms and Standards by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT).

Nyandeni Local Municipality has been awarded with a programme for Youth Job in Waste. The project is divided into landfill assistance, awareness campaigners, administrators and general workers. An amount of R12 000 000.00 has been awarded to Nyandeni Local Municipality for the establishment of the Libode Eco-Park and erf88 constructed. The Municipality also received volunteers for Cokisa, a programme geared towards improving waste collection at various nodal areas.

In an effort to follow-up on the waste management hierarchy two (02) landfill administrators have been proposed during the organogram review effort to realize capacity for Nyandeni Local Municipality. The Municipality further supported two recycling projects in an effort to encourage recycling initiatives for waste programs.

T3.4.4: WASTE MANAGEMENT SERVICE POLICY OBJECTIVES FROM IDP

FOCUS AREA PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANC E INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVE D/DEVIAT ED	REASON FOR DEVIATION	CORRECT IVE MEASURE
Environmental Management	To maintain a safe and healthy environment	Strengthen Pound Management by 2016	1.Facilitation of construction of boundary wall fencing in 2 towns	Boundary wall fencing for Ngqeleni and Libode Pounds	Facilitate Construction of boundary wall fencing for Ngqeleni and Libode Pounds	Report and attendance register for bound wall fencing for Libode & Ngqeleni	1. MIG funding have been approved for the construction of boundary wall fencing.	Deviated	Project was approved in the MIG fund however there was insufficient funds as there were projects from previous financial year to process.	The project will be done in the next financial year (2016/17)
			2.Constructed Kraal for 2 towns		Construction of two (2) Kraals for Libode and Ngqeleni	Copy of the close out report on construction of kraals in Libode and Ngqeleni	2.Libode and Ngqeleni kraals constructed	Achieved	-	-
		Maintain cemeteries throughout the year	Conducted survey by set date	Customer satisfactory survey through rate payers	Conduct Customer satisfactory survey through rate payers on upgraded cemeteries	Report of the survey	1. Survey has been conducted	Achieved	-	-
			Installed grave tags by set date		Install grave tags on needs basis	Burial register and photo, delivery note of grave tags	2. Burial register is continuously updated	Achieved	-	-
		Development of Parks & Open Spaces	Established open space by set date	Establishment of one (1) open space at Ngqeleni and Application	Establish an open space at Ngqeleni	1. Report on established open space in Ngqeleni 2. Council resolution on	1. On 23 February 2016 site visit conducted for identification of Open Space	Deviated	The identified commonage site was still to be surveyed	To follow-up with Planning and Development in

				for funding of one (1) park at Ngqeleni		approval of Ngqeleni park	with Planning and Development 2. Council Resolution not yet regained as Planning was to sit for its standing Committee approval		before council approval.	the next financial year.
			Submitted application for funding by set date		Submit application for funding for the open space in Ngqeleni	Business plan submitted to lobby funding	3. Business Plan drafted and sent for Department of Environmental Affairs on 15 September 2015	Achieved	-	-
		Provide infrastructure for landfill site	1. Operational landfill Site by 2015/16	1. Participate in the PSC for construction of Landfill site	-	1. Operational Licensed landfill Site 2. Rehabilitation permit	1. On 05 May 2016 appointment of Scientific Roets Engineering Services for preliminary Designs and construction. 2. On 10 October 2015 request for rehabilitation permit was sent for the attention of DEDEAT.	Deviated	1. Awaiting payments for the appointed Service provider.	1. Construction of Landfill to be finalised during 2016/17 financial year.
			2. Operational Waste Transfer Station	2. Construction of the Transfer Station at Ngqeleni		3. Close out report and photos of the transfer station	3. On 06 May 2016 site clearance done for construction of Transfer Station.	Deviated	2. Could not finalise construction due to failor of machine	2. Construction of Transfer Station to be finalised during 2016/17 financial year.

		Expansion of waste collection to peri – urban areas and Consultations (Thabo Mbeki, Mfenetyisa, Kop Shop, Corana, Ziphundzana and Ntlaza Rank)	Well established waste – collection plan and public facilities (Thabo Mbeki, Kopshop, Corana, Ziphundzana & Ntlaza) by set date	Acquire 06 additional skip bins	-	Delivery note, invoices of 06 skip bin	The skip bins have been acquired and on 23 November 2015 delivery of skip bins was done.	Achieved	-	-
			Number of awareness campaign and	1. Implement priority project as per IWMP (twenty (20) awareness campaigns 2. Two(2)		1. Register for (20) awareness campaigns and a report. 2. Report of capacity	1. Twenty awareness campaigns conducted (30 June 2015 ward 23, 15 July 2015 ward 11, 14 July 2015 ward 07, 18 August 2015 ward 04, 17 August 2015 ward 03, 11 August 2015 ward 01, 13 November 2015 Libode Taxi Rank, 16 November 2015 Ngqeleni Taxi Rank, 17 November 2015 Kop Shop, on 10 December			

		Implementation of IWMP by 2016	Capacity building	Capacity building trainings)	-	Building training and the register	2015 at Hluleka. On 18 May 2016 school awareness conducted at Lower Malahle, On 20 May 2016 clean-up Campaign conducted at Ward 13, 2. Capacity Training on Biodiversity Day ward 06, On 22 April 2016 conducted Capacity Building on Waste Management at Ward 13, Lower Mdumbi J.S.S., Gxaba S.S.S. , Zingisile S.P.S. , Lower Malahle S.P.S. , Clean-up campaign Ward 13, On 15 April 2016 school awareness at Moyeni JSS Ward 08, On 18 May 2016 consultative Campaign at Thabo Mbeki Township Ward 07, On 19 May 2016 consultative Campaign at Corana Ward 12	Achieved	-	-
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EMPLOYEE :WASTE DISPOSAL AND OTHER:T3.4.6					
JOB LEVEL	EMPLOYEE No YR 14/15	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
3	32	32	31	1	3%
6	2	2	1	1	0
7	2	2	2	0	0
11	2	2	2	0	
TOTAL	36	38	36	2	3%

T3.4.6 EMPLOYEE WASTE DISPOSAL AND OTHER

T3.4.7 FINACIAL PERFORMANCE: SOLID WASTE MANAGEMENT SERVICES

Financial Performance Year 0: Solid Waste Management Services - Included with community and other					
Details	Year -1 Actual	Year 0			
		Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	200	200	200	188	-6%
Expenditure:					
Employees	-				
Repairs and Maintenance	.	100	20	6	-1567%
Other	-	1229	770	719	-71%
Total Operational Expenditure	-	1329	790	725	-83%
Net Operational Expenditure	-200	1129	590	537	-110%

R'000

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.4.7

T3.4.8 CAPITAL EXPENDITURE: SOLID WASTE MANAGEMENT

Financial Performance Year 0: Waste Disposal and Other Services Included with community and other					
R000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	125	100	95	-24%
Ex penditure:					
Employ ees	125	244	250	248	2%
Repairs and Maintenance	25	244	250	248	2%
Other	45	244	250	248	2%
Total Operational Expenditure	195	732	750	744	2%
Net Operational Expenditure	75	607	650	649	7%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.4.8

3.5 HUMAN SETTLEMENTS/HOUSING

T3.5.1: INTRODUCTION:

a). Human Settlements and town planning services delivery strategy and main role-players

The Municipality, through the development of an Integrated Development Plan, and through community consultation and engagements make provision for the development of houses for both rural and urban areas. Through these engagements, the needs of the communities are taken for prioritization and incorporated into the IDP. The Municipality, thereafter, with the assistance of the Department of Human Settlements reviewed Housing Sector Plan, which is a strategic document that guides the development of houses and would then be the Chapter in the IDP.

The Municipality, through its prioritization identifies areas for development, and for which applications will be made to the Provincial Department for funding. The Provincial Department of Human Settlements is responsible for the approval of applications for housing development responding to municipal requests and for the allocation of funds for projects (urban, rural, emergency and destitute). Department of Human Settlements serves as Developers and appoints contractors to construct houses.

The municipality also plays vital role together with ward councilors, ward committees and traditional leaders to identify qualifying beneficiaries and identification of land. Local municipality is also responsible for beneficiary administration (application processes), housing consumer education and transfers, facilitates the development all housing projects, close monitoring in terms of inspections (quality control on construction of houses), develop, update and monitor Housing Needs Register. When the construction of houses is complete, Local Municipality and Department of Human settlements hand over the houses to the beneficiaries through signing of Happy Letters.

When the incidents of disaster happen, Municipal officials together with the Disaster Management satellite office of O.R. Tambo District Municipality conduct Disaster Assessment on the impact of the Disaster, prepares the report and the Department of Human Settlements would conduct the disaster verification. Once the verification is finalized a recommendation would be made towards the construction of temporal shelters or provision of permanent solution.

Role of Town Planning in Human Settlements Development

The Municipality plays a co-coordinating role in housing development and identifying of suitable land. The Municipality also through its town planning division develops the layout plans for the area where the houses are going to be built and facilitates in the approval of township establishment application.

Further to that, the Town Planning Division is responsible for the general town planning services and land use management of the two towns, Libode and Ngqeleni. This section is responsible for advising the Municipality on all possible developments that are going to happen within the Municipality. This section also ensures that a credible Spatial Development Framework is in place and its implementation thereof in order to give effect to Section 26 (e) of the Municipal Systems Act 32 of 2000. The Town Planning Division also ensures that the implementation of the Spatial Planning and Land Use Management Act No. 16 of 2013.

The Main players involved in Housing are:-

National Department of Human Settlements

The National Department of Human Settlements provides Legislative Framework on housing development and allocates funds to the Provinces. It develop pieces of Legislation and Policies that guide the development of houses. The National Department of Housing also approves the Housing Subsidy quantum. The National Department of Human Settlements also sets Norms and Standards for Housing development.

Provincial Department of Human Settlements

The Provincial Department of Human Settlements approves housing applications and allocates funds to the Municipality. This Department also appoints contractors and develop service level agreements. The Provincial Department of Human Settlements monitors the construction of houses and also recommends the termination thereof in cases of under/poor performance. It also monitors the Development of houses and conduct housing verification when incidents of disaster are reported and provide temporal shelter when recommended to do so.

District Municipality

During the year under review, the developer status of the District Municipality was taken away by the Provincial Department. Even though the status was taken away, the provision of Bulk Services remains the responsibility of the District Municipality.

Local Municipality and other Role Players

- The Local Municipality plays the facilitating role, identify projects, facilitate public participation and on identifying housing beneficiaries.
- Municipality is also undergoing a program of Housing Needs Register as to identify the need and number of people who are in need of houses, which will link to the National Development System and that will address the backlog on housing delivery.
- The beneficiaries ensure that the houses are delivered according to their expectations and monitor the development of their houses.
- The contractors are responsible for the provision of a good quality of houses through construction.
- The town planning section ensures that the land in which houses are to be built is best suitable for such development and such development is done according to the Municipality's Spatial Development Framework. This section provides the layout plan for the area in which houses are to be built.
- National Home Builders Registration Council (NHBRC) provides ethical and technical standards by inspecting enrolled homes under construction to comply with building standards and guidelines and also issue the Final unit reports.
- Local business people have also assisted the municipality by providing permanent structures for homeless and child headed families.
- Social Development through their door to door programs (household visits) identifies people who are in need and request Municipality for assistance
- Conveyancers transfer properties to the rightful beneficiaries through approved application status report.
- Other Professionals who assist with conducting Geo- Tech studies and Environmental Impact on areas where houses are going to be built.
- Facilitates the provision of access roads and other services in areas with no access.
- Recommends the provision of temporal shelters when incidents of disaster have been identified and assessments conducted.

b. Level and standards in Housing and town planning services

The Department of Human Settlements provide for the provision of the following standards when construction houses:-

- A 40 square meter house with roof tiles, 2 bedroom, a kitchen and lounge which would also cater for people with physical disabilities
- A water tank
- A VIP toilet
- Bulk internal water reticulation services
- An Environmental Impact Assessment of the area
- A Geo- Technical Study

The Municipality, when planning housing development takes into account houses for the low income and high income earners. This helps the Municipality to set up its yearly targets for delivery of houses according to these categories of levels. The Municipality first starts with housing needs assessment to determine the number of beneficiaries who qualify for low and high income.

All housing/ human settlement developments for all income brackets require Town Planning expertise to prepare the town planning layout, facilitate public participation as well as administer the approval of the Township with the Department of Local Government and Traditional Affairs. The introduction of Spatial Planning and Land Use Management (SPLUMA) would require the establishment of the Municipal Planning Tribunal which would play a critical role in the approval Townships and other related Land development Applications. The Municipality will seek the assistance from prospective Town Planning professionals to assist in the development of the town planning layout where the Spatial Planning Division play a project management role in the entire development process.

With regards to the quality of houses the National Department of Human Settlements prescribes the norms and standards for the level of houses to be delivered by the Municipalities. Each Municipality is expected to deliver houses according the prescribed norms and standards. Nyandeni Local Municipality is implementing 40 square meters in all of its low cost houses.

Informal Settlements

Informal Settlements has been identified in both towns.

The program to address and to act on stopping the mushrooming of informal settlements is to provide these people with permanent shelters through informal settlements eradication program .Currently we have 170 informal settlements in the following areas

- Nqgeleni (eziteneni) - 35
- Libode (Eziteneni) – 50
- Libode (Nomzamo) – 115

d. Major challenges in housing development

Some of the challenges in housing development include:-

- ☐ Delays within DHS in procurement processes in terms appointing and paying contractors.
- ☐ Poor performance by contractors resulting in completion delays
- ☐ Insufficient funding
- ☐ Backlog in basic services (lack of bulk infrastructure)
- ☐ Unlawful occupation of land or land invasion.
- ☐ Shortage of water during construction that delays the completion period for housing development.
- ☐ High increases in material prices.
- ☐ Land Claims
- ☐ Delays in the approval of town planning services and in the survey of the land for housing delivery.
- ☐ Difficult terrain on rural areas.
- ☐ Unavailability of local suppliers within the O.R Tambo region
- ☐ Alternative technology program it is not easy for all inspectors because they are not trained on those programs but on brick and mortar
- ☐ Vandalism of completed units.
- ☐ Material Theft

T3.5.3 HOUSING POLICY OBJECTIVES TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY /PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/D EVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Human Settlement	To coordinate the provision of sustainable rural and urban human settlements	By development and approval of Housing Sector Plan	Number housing projects implemented	Implement ation of 2 projects from Housing Sector plan	-	Copy of letter written to DOHS	4 Projects are being implemented from the housing sector plan Mqwangqweni 1000,Ntsundwana 1000,Mbhobheleni	Achieved	-	-

						100,Nyandeni 800			
	By Facilitating housing development through housing fora	Number of housing forums conducted	Conduct 4 housing for a	-	1. Attendance register 2. Copy of a report	4 housing fora were held on the 15 September 2015,13 November 2015,08 March 2016 ,28 June 2016	Achieved	-	-
	By providing awareness on the roles of community in human settlements development	Number of awareness workshops organized through housing consumer education	6 Housing consumer education to be conducted	-	1. Attendance register 2. Copy of a report	7 Housing Consumer Educations were conducted -22 September 2015 Municipality,15 October 2015 Ward 12 Ngobozi,08 March 2016 Ward 23 Cwaka,11 March 2016 Ward 22 Mthokwana,17 March Ward 4 Mbhobheleni,22 April Ward 5 Mthombe,07 June Ward 5 Mthombe	Achieved	-	-
	By ensuring that there is a data for qualifying beneficiaries for human settlements	Updated Housing Needs Register	Update information on Housing Needs Register	-	1. Appointment letters 2. Capturing report 3.Attendance register	Data capturers were appointed and trained and data capturing commenced updating information on housing needs	Achieved	-	-
	By conducting EIA for 1328 units, Libode	Approved EIA for Libode 1328 units	Initiate EIA processes for 1328 units in Libode	-	ROD Approval) (EIA	Service provider is on site and has so far submitted the first progress report	Achieved	-	-

HUMAN SETTLEMENT PROGRESS REPORT PROGRESS REPORT

PROJECT	PROGRESS	BUDGET	CONTRACTOR	WARD & VILLAGES	START DATE	PROGRESS STATUS AS AT 30 JUNE 2016
Mampondomiseni Phase 1 – 150 units	123 units complete	R 11 336 839.00	BNN Construction	Mampondomiseni Ward 17	May 2010	Completion date was September 2016 (Contract has been extended)
Mampondomiseni Phase 2 – 150 units	75 units complete	R 11 336 839.00	Abaphumeleli	Mampondomiseni Ward 17	May 2010	Project is at procurement for the replacement contractor
Mhlanganisweni 350	Complete	R 22 538 756.00	Nebavest	Mhlanganisweni Ward 03	October 2010	Complete
Nyandeni 370	10 units complete (With defects)	R 33 006 109.00	Whitehall	All Wards	August 2012	Project is at procurement for the replacement contractor
Nyandeni 190	184 units completed	R 20 900 000.00	Everite	All Wards	August 2012	Completion date was December 2016 (Contract has been extended)
Nyandeni 77	No completions (developer status has been taken from O.R Tambo to Human Settlements)	R 6 545 000.00	Ayakhula BMW	Various Wards	March 2013	The project is at Procurement stage
Nyandeni 98	No completions (developer status has been taken from O.R Tambo to Human Settlements)	R 396 000.00	Thubalam	Various Wards	March 2013	The project is at Procurement stage
Mbhobheleni 1000	244 Completions	R109 899 000,00	Mmaeshbe Genaral Trading	Ward 04	July 2014	Completion date was December 2016 (Under construction)
Ntsundwana 1000	78 completed units	R132 578 250,00	Max-Wezie Construction	Ward 20	July 2014	Completion date was December 2016 (Under construction)
Mqwangqweni 1000	1 completed unit	R109 899 000,00	Mosegedi Construction	Ward 14	July 2014	The project is under construction

Nyandeni 800	794 completions	R89 600 000,00	Jordan Construction	Ward 05 and Ward 13	July 2014	The completion date was December 2016 (Under construction)
Nyandeni 669	Planning stage	R109 632 944,00	Summerland Trading	Various wards		Contractor is on planning stage
Nyandeni 233	Planning stage	R30 995 680,00	SimplyDo Construction	Various wards		Contractor is on planning stage

Employee :Human Settlements:T3.5.4					
JOB LEVEL	EMPLOYEE No YR 13/14	POSTS NO.	EMPLOYEE NO.2015/16	VACANCIES NO.	VACANCIES AS %
7	1	1	1	0	0
8	1	1	1	0	0
11	1	2	2	0	0
16	1	1	1	0	0
Total	4	5	5	0	0

T3.5.5. FINANCIAL PERFORMANCE: 2015/16: HUMAN SETTLEMENT

To be updated

T3.5.6 CAPITAL EXPENDITURE: HUMAN SETTLEMENT (NONE)

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

(T3.6.1: INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Due to the level of unemployment and poverty within Nyandeni Local Municipality area, there are both households and citizens who are unable to access or pay for services; this group is referred to as “indigent”. Nyandeni Local Municipality therefore has an approved indigent policy and indigent register to ensure that the indigent can have access to the package of services included in the FBS programme. We have currently supported indigent households with two burner stove and full size nine (9) kg gas. Nyandeni Local Municipality has decided to conduct an impact assessment to the beneficiaries on the awarded support, forging relation with institution of higher learning (Walter Sisulu University).

Section 26(1)(2) of the constitution of the republic of South Africa stipulates that everyone has a right to have access to adequate housing, Health Care, Food, Water and Social security. It is therefore Subsection 2 of this section that gives the state an obligation to take reasonable legislative and other measures within its available resources to achieve the progressive realization of these rights.

Functioning of indigent steering committees

All ward indigent steering committees are functioning for ensuring that the free basic services are delivered to the needy.

In ensuring that the steering committee is still effective the office do the verification quarterly together with the committee and councillors.

INDIGENT REGISTER

The free basic services indigent register at present contains about 36974 indigent households for the whole Nyandeni local municipality. This status changes every now and then due to change of status to our indigents.

Ward number	Total indigents	Ward no.	Total indigents
1.	1488	2.	1411
3.	1034	4.	2618
5.	1771	6.	1189
7.	646	8.	1140
9.	1282	10.	1137
11.	846	12.	857
13.	860	14.	1508
15.	1069	16.	528
17.	2365	18.	1747
19.	1107	20.	540
21.	526	22.	531
23.	1860	24.	1294
25.	1424	26.	1423
27.	989	28.	551
29.	1226	30.	1170
31.	873		

After the above collection the department has provided for about 10167 indigent households with free basic electricity.

T3.6.4 FINANCIAL PERFORMANCE: 2015/16: FREE BASIC SERVICES

Financial Performance Year 2016: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			Variance to Budget
	Actual	Budget	Adjustment Budget	Actual	
Water	-	-	-	-	
Waste Water (Sanitation)	-	-	-	-	
Electricity	1 241	5 000	6 065	6 065	0%
Waste Management (Solid Waste)	-	-	-	-	
Total	1 241	5 000	6 065	6 065	0%
					7 3.6.4

T3.6.5 FREE BASIC SERVICES AND INDIGENT SUPPORT POLICY OBJECTIVES FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/PRO JECT TITLE	KEY PERFORMAN CE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Free Basic Services	To provide free basic services to the Indigent people	Implementation of indigent policy Provision of free basic services	Number of indigent households supported	Roll out of electricity and alternative energy for 5000 households	-	Assessment report	Roll out alternative energy was done in 7509 households.	Achieved	-	-
	To contribute to national programs on eradication of poverty	Expanded Public Works	Number of people employed through EPWP	Employ 66 casual workers through EPWP	-	Appointment Letters	66 Casuals appointed	Achieved	-	-
		Facilitation of intergovernmental programmes towards access to basic services	Number of social cluster meetings convened	Coordinate 04 Ordinary Social needs Cluster meetings	-	1.Minutes 2.Attendance registers	1. Social Needs Cluster held on the 16 July 2015, 21 October 2015, 02 March 2016, Special Needs Cluster on 30 March 2016 and 02 June 2016.	Achieved	-	-

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

3.7 ROADS

T3.7.1 INTRODUCTION TO ROADS

The municipality constructs and provides maintenance of roads to provide access to educational, economic, health centers. Roads constructed are surfaced or gravel roads in rural areas. In towns the roads constructed are surfaced roads. Construction of roads is done through contractors that are obtained the country through bidding processes. The maintenance is implemented in two methods internally and outsourced. Municipal yellow fleet is used on maintenance of existing roads and other projects are implemented by external contractors. Storm water control is considered as one of roads features and is considered when constructing the roads. EPWP programme is used as one element which drives job creation by being used when maintaining roads infrastructure. The most used method for roads construction is conventional due to the rolling terrain which demands major earthworks. Most type of roads being constructed are gravel roads and they do not last as they tend to be overpowered by storm water with high velocity. The municipality has improved in methods of construction and ensures that storm water management is highly considered during planning.

The municipality has achieved the annual target of constructing and maintaining 209 km. Roads forum is used to ensure all stakeholders are aware of roads projects to be implemented by both DRPW and Municipality. Roads forum assists in deciding which areas are to be prioritized by DRPW during financial year. Communities are part of project from planning stages as they are part of conception during Mayoral Imbizo's and IDP road shows. The municipality plans to provide transport Hub for integrating transport in both towns and identified areas for economic growth. The municipality has plans to provide infrastructure for ranks where areas are identified for economic growth as economic nodes. National Roads are being under management by SANRAL which provides maintenance and contractor development in consultation with the municipality.

Challenges majorly experienced in road transport are as follows:

- o Preferred method for construction by Provincial Government of gravel road;

- o Inadequate allocation of funds;
- o Lack of capacity to complete projects by some contractors;
- o Poor/Inadequate resource allocation by DRPW;
- o Poor infrastructure to strategic areas identified for economic growth;
- o Contract management and project management;
- o Staff shortage for accuracy during planning or feasibility studies

T3.7.2 GRAVEL ROADS INFRASTRUCTURE

Gravel Road Infrastructure Kilometres				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2 (17/18)	200 km	40	10	150
Year 1 (16/17)	199 km	75 km	5 km	119 km
Year 0 (15/16)	209 km	115km	7 km	87

T3.7.3 TARRED ROAD INFRASTRUCTURE

Tarred Road Infrastructure Kilometres					
	Total tarred roads	New tar roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year 2 (17/18)	15 km	10 km	2 km	2 km	1 km
Year 1 (16/17)	7 km	5 km	0 km	0 km	2 km
Year 0 (15/16)	7 km	7 km	0 km	0 km	0 km

T3.7.4 COST OF CONSTRUCTION MAINTAINANCE

Cost of Construction/Maintenance R'000						
	Gravel			Tar		
		Gravel - Tar	Maintained	New	Re-worked	Maintained
Year 2 (17/18)	R 65 000	R 25 000	R 40 000	R 25 000	R 2 000	R 2 000
Year 1 (16/17)	R 80 000	R 5 000	R 75 000	R	R 0	R 1 500
Year 0 (15/16)	R 72 700	R 7 700	R 65 000	R 0	R 2 000	R0

T3.7.6 ROAD POLICY SERVICE OBJECTIVES TAKEN FROM IDP

Roads Service Policy Objectives Taken From IDP									
Service Objective s/ Service Indicator s	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		Previous Year		*Previous Year	Current Year		Current Year	Current Year/Actual	Following Year
Provision of Access roads and road maintenance									
To construct and maintain roads to service centre's and economic development nodes	150 km constructed and maintained	150 km Constructed and maintained	215 km	150 km Constructed and maintained	209 km Constructed and maintained	209 km constructed and maintained	150 km	209 km	150 km Constructed and maintained

PROVISION OF ROADS AND ROADS MENTAINENCE

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMA NCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATIO N	ACTUAL PERFORMANCE	ACHIEV ED/DEVI ATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
79 Provision of Access roads and road maintenance	To construct and maintain roads to service centres and economic development nodes	Inter-grated Transport Plan	Approved and Implemented Inter grated Transport Plan	Implementatio n of Inter grated Transport Plan	Approval by Council and Implementatio n of Inter grated Transport Plan	Progress report on implementation of prioritised project on ITP	Projects on ITP are part of 3 year plan	Achieved	-	-
		Roads Master Plan	Approved and Implemented projects identified on Roads Master Plan	Implement projects identified on Roads Master Plan	Approval by Council and Implement projects identified on Roads Master Plan	Progress report on implementation of prioritised project on RMP	Projects on Roads Master Plan are part of 3 year plan	Achieved	-	-
		Mafusini to Zincukuthwini A/R (Ward 26)	Advertiseme nt for construction	5 km constructed	Issue advert for construction	Copy of advertisement for construction	Advert issued	Achieved	-	-
		Mdzwina Internal Roads(ward 20)	Number of KM constructed	11 km road constructed (Continuation from 14/15)	1,4 km road constructed (Continuation from 14/15)	Completion Certificate; Close out Report and Copy of the Voucher	Retention released by May 2016	Achieved	-	-

				payment for the retention paid				
Mpindweni W04 (Phase 2) A/R (Ward 05)	Developed Environmental Management Plan for Mpindweni W04	Finalize Relocation of community people	Develop an Environmental Management Plan for Mpindweni W04	Copy of Environmental Management Plan (EMP)	EMP report submitted to DEDEAT in May 2016	Achieved	-	-
Dungu to Mbhobheleni A/R (ward 04)	Release retention paid	6 km(Continuation from prior years)	Release retention	Copy of the Voucher payment for the retention paid	Retention Released on the project	Achieved	-	-
Ncambedlan a to Manzimahle A/R (Ward 14)	Number of KM constructed	10.1 KM	10.1 km road constructed	Completion Certificate ,Close out report and Copy of the Voucher payment for the retention paid	Project is currently at 90% complete, Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 70%, Bridge at 40% complete	Deviated	Over commitment of projects on MIG budget	Complete project by August 2016
Ndayini access road Phase 2 (Ward 05)	Advertisement for construction	6 KM	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-

Dalagubha A/R (Ward 16)	Number of KM constructed	13 KM	13 km road constructed (5km to be done by OR Tambo DM)	Completion Certificate; Close out Report	Project is 100% completed, Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%,Installation of road signs & Borrow pit rehabilitation at 0%	Achieved	-	-
Maqanyeni to Mgungundlovu (Ward 18)	Number of KM constructed	6.2 KM	6.2 km road constructed	Completion Certificate; Close out Report	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%	Achieved	-	-
Sezela to Njezweni (Ward 29)	Number of KM constructed	6.1 KM	6,1 km road constructed	Completion Certificate; Close out Report	Project is at 100% complete, Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage	Achieved	-	-

					at 100% ,Bridge at 50%			
Jojozi to Ncithwa (Ward 02)	Advertisement for construction	Completion Certificate	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Makwalweni to Mzimvubu (Ward 27)	Advertisement for construction	Design Report	Issue Advert for construction	Copy of the advert for construction	EIA authorization received	Deviated	Budgetary Constraints projects identified above available budget	To be implemented project in the 17/18 Financial Year
Cibeni to Ngojini Bridge (Ward 06)	Advertisement for construction	Project 80% Complete	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Bukhwezeni access road (Ward 23)	Advertisement for construction	Project 80% Complete	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Mzonyane access road (Ward 25)	Number of KM constructed	6,5 km road constructed (Recurring from 14/15)	-	Completion Certificate ,Close out report and Copy of the Voucher payment for the retention paid	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%,	Achieved	-	-

					Stormwater drainage at 100%			
Thembeni access road (Ward 01)	Number of KM constructed	13 km road constructed (Recurring from 14/15)	-	Completion Certificate ,Close out report and Copy of the Voucher payment for the retention paid	Retention amount transferred to be used by Nyandeni LM-Infrastructure to do Maintenance.	Achieved	-	-
Church of God to Belmont (Ward 07)	Number of KM constructed	8 km road constructed (Recurring from 14/15)	-	Completion Certificate ,Close out report and Copy of the Voucher payment for the retention paid	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%	Achieved	-	-
Zinduneni to Bandla Access Road(Ward 19)	Number of KM constructed	14 km road constructed (Recurring from 14/15)	-	Completion Certificate ,Close out report and Copy of the Voucher	Project 100% completed, Completion certificate issued and close out report prepared. Clear &	Achieved	-	-

				payment for the retention paid	Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Storm water drainage at 100%			
Moyeni to Ngqwangi (Lukhanyisweni) Access Road (Ward 11)	Number of KM constructed	6,5 km road constructed (Recurring from 14/15)	-	Completion Certificate ,Close out report and Copy of the Voucher payment for the retention paid	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Storm water drainage at 100%	Achieved	-	-
Lower Malahle to Mlatha (Mgonondi) Access Road(Ward 22)	Advertisement for construction	6 KM	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Magcakini Access Road (Ward 8)	Advertisement for construction	5,7 KM Constructed	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-

		Dumase to Mangwaneni (Ward 13)	Number of KM constructed	6 km road constructed	-	Completion Certificate ,Close out report	Project is 100% practically complete, Clear & Grub at 100%, Roadbed preparation at 100%, Tipping & Processing at 100%, Storm water drainage at 95%,Installation of road signs at 100%	Achieved	-	-
		Renny access road (Ward 31)	Advertise ment for construction	14,2 km road constructed	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
		Polar Park access road (Ward 26)	Advertise ment for construction	6 KM	Issue Advert for construction	Copy of the advert for construction	EIA authorization received	Deviated	Budget Constraints	To be implemented in the 17/18 FY
		Mgojweni to Mabhetshe A/R (Ward 24)	Advertise ment for construction	Project 80% Complete	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
		Msuzwaneni to Thekwini A/R (Ward 28)	Advertise ment for construction	Project 80% Complete of 11,5 KM	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
		Zanokhanyo to Lutsheko A/R	Number of KM constructed	6,8 KM	6,8 km road constructed	Completion Certificate; Close out	Project is currently at 100% complete, Clear & Grub	Achieved	-	-

				Report	100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%, Installation of road signs at 100%,			
Langakazi Low Volume A/R	Advertisement for Professional Service Providers (PSP)	Design Report	Advert for Professional Service Providers (PSP)	Copy of the advert for PSP	Technical report prepared, and EIA advise requested and issued by DEDEAT	Deviated	Budget Constraints	To be implemented in the 17/18 FY
Mabomvini to Nkunzimbini A/R	Advertisement for Professional Service Providers (PSP)	Design Report	Advert for Professional Service Providers	Copy of the advert for PSP	Technical report prepared, and EIA advise requested and issued by DEDEAT	Deviated	Budget Constraints	To be implemented in 17/18 FY
Maintenance of Provincial roads and other infrastructure	Number of Roads Forum conducted	Conduct 4 Roads Forum	-	Attendance register and minutes for the forums conducted	Roads Forum and infrastructure Forum meetings held on the 05/04/2016	Achieved	-	-
Manqabeni Alternative Surfacing	Number of KM constructed	3 KM	3 km road constructed	Completion Certificate; Close out	Contractor appointed, Site Handover meeting	Deviated	Poor response to the advert and had to be	To appoint contractor and scheduled to

				Report	done.		readvertised	be completed by November 2016
Storm Water Management	% completed on projects in : Malungeni; Mngcibe;Nothintsila Milo;Qhokama; and Phalo to Sizane	Completed Storm Water	100% Completed Projects for: Malungeni; Mngcibe;Nothintsila Milo;Qhokama; and Phalo to Sizane	Completion Certificate; Close out Report	1. Malungeni; Mngcibe;Nothintsila & Milo have been advertised 2. Qhokama has been implemented 3. Phalo to Sizane scope of works has been finalised	Deviated	Budget Constraints	To be complete by October 2016
Gqwarhu Access road	Number of KM constructed	3 KM	3 km road rehabilitated	Completion Certificate; Close out Report	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%	Achieved	-	-
Lower Mngamnye Access Road	Number of KM constructed	4 KM	4 km road rehabilitated	Completion Certificate; Close out Report	Project 100% completed, Completion certificate issued and	Achieved	-	-

					close out report prepared. Clear & Grub 100%, Roadbed at 100%, Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%			
Makhotyana to Makaziwe	Number of KM constructed	6 KM	6 km road rehabilitated	Completion Certificate; Close out Report	Completion Certificate developed	Deviated	Allowance was delayed due to budgetary limitations	Retention to be paid by July 2016
Mdina Access road	Number of KM constructed	5 KM	5 km road rehabilitated	Completion Certificate; Close out Report	Completion Certificate developed	Deviated	Project schedule was to be completed by June therefore leading to issue of completion to be at end June delaying issue of retention	Retention to be issued by September 2016
Misty Mount Access Road	Number of KM constructed	6 KM	6 km road rehabilitated	Completion Certificate; Close out Report	Retention has been released	Achieved	-	-
Thakatha to Magozeni	Number of KM	11,2 KM	11.2 km road rehabilitated	Completion Certificate;	Project 100% completed,	Achieved	-	-

Access road	constructed			Close out Report	Completion certificate issued and close out report prepared. Clear & Grub 100%, Roadbed at 100%, Tipping & Processing of Subbase at 100%, Stormwater drainage at 100%			
Thekwini Access Road	Number of KM constructed	6 KM	6 km road rehabilitated	Completion Certificate; Close out Report	Retention has been released	Achieved	-	-
Mathayi Access Road	Number of KM constructed	3 KM	3 km road rehabilitated	Completion Certificate; Close out Report	Retention has been released	Achieved	-	-
Mputshane Access Road	Advertisement for construction	Develop technical report	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Ntibane access road	Advertisement for construction	Develop technical report	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Kalandoda access road	Advertisement for construction	Develop technical report	Issue Advert for construction	Copy of the advert for construction	Advert issued	Achieved	-	-
Luqolo access road	% Project Completed:	Develop technical	Project 50% Completed	Completion certificate and	Project 65% Completed based	Achieved	-	-

	1. % completed on site establishment 2. % completed on Roadbed 3. % completed on Tipping 4.% completed on Processing 5.% completed on Drainage	report	based on: 1.Site Establishment 100% 2. Roadbed 100% 3. Tipping 100%, 4.Processing 30% 5.Drainage 0%	progress report	on: 1.Site Establishment 100% 2. Roadbed 100% 3. Tipping 65%, 4.Processing 65% 5.Drainage 0%			
Gqweza A/R	Developed technical report	Develop technical report	-	Copy of designs and the report	Designs have been developed and Technical report costed	Achieved	-	-
Egxeeni to Mangwaneni A/R	% Project Completed: 1. % completed on site establishment 2. %	Develop technical report	Project 50% Completed based on: 1.Site Establishment 100% 2. Roadbed 100%	Completion certificate and progress report	Project 30% Completed based on: 1.Site Establishment 100% 2. Roadbed 100% 3. Tipping 10%, 4.Processing 0%	Deviated	Project not started as planned due time constraints	Project is in progress

	completed on Roadbed 3. % completed on Tipping 4.% completed on Processing 5.% completed on Drainage		3. Tipping 100%, 4.Processing 30% 5.Drainage 0%		5.Drainage 0%			
Forward Planning	Advertisement for construction for projects requiring EIA	EIA application and specification	1. Advertise projects requiring EIA for : Ludaka Bridge; Ngqongweni; Tholeni; and Langakazi. 2. EIA Assessment Request for: Ndanya; Multipurpose Centres (Wards 3,16,17,28 and 31); Nxukwebe, Chizela, Somp	Copy of the advert for construction	DEDEAT had been consulted on EIA issues and they advised that no adverts were needed (EIA are done through Engineering Consultants)	Achieved	-	-

					a,Mngazana,L urhasini, and Mqwangqweni to Magwaziphalit shi					
Urban centre Infrastructure	To improve livelihoods in urban centre's through infrastructure development	Pedestrian Sidewalks, 190 jobs created.	Number of Km paved and number of jobs created for paving	1. 3 km (paved) 2. 190 jobs created (122 for paving and 68 for other EPWP projects)	-	1. Completion certificate of 3km paved 2.Appointment letter/Signed List of casuals appointed by Community Liason Officer for 190 jobs created	3.2 km paved (Libode and Ngqeleni sidewalks, cemeteries, parking). Appointment letters signed for 256 casual workers	Achieved	-	-
		Lifeguards and Greening	% spent on lifeguards and greening	Monthly Reports on EPWP Funds 100% Expenditure	100% Expenditure on greening project	Signed report from Budget & Treasury on 100% expenditure for greening	Expenditure signed and submitted and currently at 100%	Achieved	-	-
		Libode Landfill site (Ward 07)	Advertiseme nt for landfill site construction	Implement Libode Landfill Site Project	Advertise the Libode landfill site project	Copy of the advert	Final Designs approved	Achieved		-
		Infrastructur e for	Developed concept	Planning and registration	Develop concept	Copy of the concept	Concept document developed	Achieved		-

Informal Traders Projects	document of Informal Traders		document for Informal Traders	document for Informal Traders				
Nggeleni Extention 2 Internal Roads (Ward 21)	Advertiseme nt for construction	Design Report	Issue Advert for construction of Nggeleni Extension 2 Internal Roads	Copy of the advert for construction	Final Designs completed	Deviated	Budget Constraints	To be implemented on 2017/2018 FY.
Nggeleni Alternative Surfacing Pilot at Extension 4	% Completed on upgraded number of km	6 KM upgraded	100% completion of 6 km upgraded	Completion Certificate; Close out Report	Project 100% completed, Completion certificate issued and close out report prepared. Clear & Grub 100%,Roadbed at 100%,Tipping & Processing of base at 100%, Stormwater drainage at 100%	Achieved	-	-
Libode Street Surfacing	% Completed on number of surfaced km	3 KM surfaced	100% completion of 3 km surfaced	Completion Certificate; Close out Report	Project at 33% complete, Contract terminated	Deviated	Poor performance by contractor and increase in the oil more than 3 times during project implementation	Implement project internally and add remaining scope on Nggeleni Internal Roads

		Libode (500 units alternative surfacing) Extension 1 internal Roads (ward 7)	Advertisement for construction	KM Constructed	Issue Advert for construction	Copy of the advert for construction	Final Designs completed	Deviated	Budget Constraints	To be implemented in the 17/18 FY
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94	Municipal Amenities	To provide and maintain local amenities and community facilities	Libode Transport hub (Ward07)	Completed Libode Transport Hub	Complete Libode Transport Hub	-	Completion Certificate for Libode Transport Hub	Project 98% Completed: Site Establishment 100% Complete, Earthworks 100% Complete, Storm water 98% Complete, 2 X Retaining Walls Complete, Sewer Reticulation and Ablution	Deviated	Delays in delivery of materials (Paving blocks and Kerbs)	Complete first phase of project by 30 July 2016
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							Facilities 100% Complete, Layerworks 100% Complete, Paving and kerbing 95% Complete			
		Nggeleni Transport hub (Ward 21)	Advertisement for construction	Construction of Nggeleni Transport Hub	Issue advert for Nggeleni Transport Hub	Copy of advert	Final Designs approved	Deviated	Budget Constraints	Project to be implemented in 17/18 FY
		Upgrade access to parks, cemeteries, and pounds	Upgraded access to public amenities	Upgrade access to parks, cemeteries, and pounds	-	Close out on the upgrade of projects	Libode Cemetery completed and Nggeleni under construction. Close out report for EPWP prepared as at end of financial year	Achieved	-	-
unicipal amenities	To provide and maintain local amenities and	Libode Sports field and Recreational centre (Ward 07)	Number of sports field constructed in Libode	Construction of 1 (one) Libode sports field.	-	Completion certificate and close out report	Project currently sitting at 95% complete	Deviated	Poor work relation between service providers	To be complete by August 2016
		Municipal	Developed	Design Report	Develop	Copy of the	Design Report	Achieved	-	-

community facilities		Workshop and Ngqeleni Offices	designs for the workshop and ngqeleni offices	and Implementation	design for the Municipal Workshop and Ngqeleni Offices	designs				
		Ward 03 Multipurpose Centre and Sports field	Advertisement of PSP	Project Implementation	Advert for Professional Service Providers	Copy of the advert for PSP	Specification for PSP's prepared	Deviated	Budget Constraints	To be implemented on 2017/2018 FY.
		Ward 17 Multipurpose Centre and Sports field	Advertisement of PSP	Appointment letter	Advert for Professional Service Providers	Copy of the advert for PSP	Specification for PSP's prepared	Deviated	Budget Constraints	To be implemented on 2017/2018 FY.
Bridges	To improve accessibility communities through safe bridge	Projects as per roads list.	Number of bridges completed		Construction of 6 Bridges in : 1.Completion of Thembeni and Mdzwina	Completion certificate and close out report for: 1. Thembeni and Mdzwina.	1. Thembeni and Mdzwina are completed	Achieved	-	-
Bridges	To improve accessibility communities through safe bridge	Projects as per roads list.	Number of bridges constructed		Completion of the following bridges 2. Ncambedlana to Manzimahle 3., Ntlaza	Progress report on : 2.Sezela to Njezweni, 3.Ncambedlana to Manzimahle 4., Ntlaza Bridges	The following bridges are at construction stage : 2.Sezela to Njezweni, 3.Ncambedlana to Manzimahle	Deviated	Ntlaza bridge delayed due to EIA regulations	Bridge to be completed in 16/17 FY

	Bridges		4., Ntlaza	
	4.Sezela to			
	Njezweni,			
Number of	5. Advert for	Copy of advert	Advert issued	
bridges	Mgojweni,	for :	for the following	
advertised	6.Advert	5. Mgojweni,	bridges :	
	Msuzwaneni,	6. Msuzwaneni,	5. Mgojweni,	
	Bukwezeni,	Bukwezeni,	6. Msuzwaneni,	Achieved - -
	Lower	Lower Malahle	Bukwezeni,	
	Malahle		Lower Malahle	
			have been	
			advertised	

MAINTENANCE PLAN 2015-2016

PERIODIC MAINTENANCE (INHOUSE)

PROJECT NAME AND DESCRIPTION	WARD	PROJECT AMOUNT	EXPENDITURE	QUANTITY (Km)	PLANNED	ACTUAL	ACTIVITY	PROGRESS	COMMENTS
Zinkumbini Access Road	4	R 0.00	R 0.00	4.5	4.50	4.80	Rip and compact, and patch gravelling	Tipping 100%, Processing 100% Blading 100%	Nomagugu access road has been added to the original scope of works.
Tutor Ndamase S.S.S.	31	R 0.00	R 0.00	3.5	3.50		Tipping and Processing	Assessed	To be done
Ntshilini J.S.S. A/R	26	R 0.00	R 0.00	0.2			Tipping and Processing	Assessed	Still to be done
Lower Godini(Ncedana)Access Road	24	R 0.00	R 0.00	11.0	11.00	11.00	Blading compact, Tipping and processing.	The project is 95% complete with stormwater still under construction	None
Zandukwana A/R	1	R 0.00	R 0.00	6.0	6.00	4.00	Tipping and Processing	Assessed: blading done in preparation of roadbed	Still on the list to be done, quarry at a further distance which will affect productivity.
		R 0.00	R 0.00	R 25.20		19.80			

ROUTINE MAINTENANCE

PROJECT NAME AND DESCRIPTION	WARD	PROJECT AMOUNT	EXPENDITURE	QUANTITY(Km)	PLANNED	ACTUAL	ACTIVITY	PROGRESS	COMMENTS
Libode and Ngqeleni Towns and Extensions	7&21			0.6 km	0.6 km	0.6	Blading	Quarterly Routine maintenance	Assessed
		0	0			0.6			

PROJECTS TO BE OUTSOURCED 2015/16 FY

PROJECT NAME AND DESCRIPTION	WARD	PROJECT BUDGET	EXPENDITURE	QUANTITY (Km)	PLANNED	ACTUAL	ACTIVITY	PROGRESS	COMMENTS
Makhotyana A/R	3	R 3 133 495.20	R 2 830 647.93	6.00	6.00	6.00	Gravelling	The project is 100% complete and snags list has been dealt with.	The project is complete and the practical completion certificate has been issued.
Mbhananga A/R	3	R 1 186 820.25	R 1 171 340.25	2.50	2.50	2.50	Gravelling and storm water control	The project is 100% complete and snags list has been dealt with.	The project is complete and the completion certificate has been issued.
Misty Mount A/R	9	R 2 248 626.64	R 1 909 002.83	6.00	6.00	6.00	Gravelling	The project is 100% complete and snags list has been dealt with.	The project is complete and the completion certificate has been issued.
Thakatha to Magozini A/R	13	R 3 450 335.91	R 2 789 006.93	11.20	11.20	11.20	Gravelling	The project is 100% complete and snags list has been dealt with.	The project is complete. Completion certificate is still to be issued.
TOTAL		R 10 019 278.00	R 8 699 997.94	25.7	25.70	25.70			

CONTRACTOR DEVELOPMENT & STORM WATER PROJECTS 2015/16

PROJECT NAME AND DESCRIPTION	WARD	PROJECT AMOUNT	EXPENDITURE	QUANTITY (Km)	PLANNED	ACTUAL	ACTIVITY	PROGRESS	COMMENTS
Mantanjana to New B.V	13			1.8			Gravelling and storm water	Technical report approved	There is change of initial plan to do it in house due community concerns

PROJECTS TO BE OUTSOURCED 2015/16 FY

PROJECT NAME AND DESCRIPTION	WAR D	PROJECT AMOUNT	EXPENDITURE	QUANTIT Y (Km)	PLANN ED(Km	ACTUA L (Km)	ACTIVITY	PROGRESS	COMMENTS
Mdina A/R	4	R 2 465 608.53	R 2 206 264.80	5.0	5.0	5.0	Gravelling and storm water	Blading is 100%, Tipping and processing is also 100% complete and only the bridge is 50%	The construction of the bridge is complete with approaches to filled and open to traffic.
Thekwini A/R	23	R 2 320 439.60	R 1 989 724.35	6.0	6.0	6.0	Gravelling and stormwater	complete Blading is 100%, Tipping 100% and processing 85% is also 100% complete and drainage is still	The project is complete with snags be attended by the contractor.
Mathayi A/R	22	R 1 349 577.60	R 1 111 733.07	3.0	3.0	3.0	Gravelling and stormwater	outstanding. Tipping 100%, Processing 100% Blading 100% and drainage is in progress.	This project has been completed
Gxeni Access Road	29	R 2 987 113.50	R 570 456.00	9.5	7.5	7.5	Gravelling and stormwater	This project has been handed over to the contractor.	Site establishment is complete.
TOTAL		R 20 156 966.48	R 6 279 772.49	65.9	63.9	21.5			
CONTRACTOR DEVELOPMENT & STORMWATER PROJECTS 2015/16 FY									
PROJECT NAME AND DESCRIPTION	WAR D	PROJECT ESTIMATE	EXPENDITURE	QUANTIT Y (Km)	PLANN ED	ACTUA L	ACTIVITY	PROGRESS	COMMENTS
Malungeni Storm water	24	R 289 910.00	R 0.00				Stormwater control	Still to be assessed	None

Mngcibe Box Culverts	25		R 0.00				Stormwater control	Still to be assessed	None
Nothintsila Mvilo Storm water	20	R 950 000.00	R 0.00				Stormwater control	Still to be assessed	None
Qhokama Storm water	28	R 287 160.00	R 0.00				Slab and crossings	Technical report to be prepared	None
Phalo to Sizane Stormwater	23		R 0.00				Stormwater control	Technical report to be prepared	None
		R 1 527 070.00	R 0.00						

ERMERGENCY/INTERVENTIONS MAINTENANCE 2015

INTERVENTION	WAR D	DATE RECEIVED	DATE OF INTERVENTION	QUANTIT Y (Km)	PLANN ED	ACTUA L	ACTIVITY	PROGRESS	COMMENTS
Maintenance of Ngxangula road to traditional council	16	09/02/2015	11/02/2015	5		5	Blading	Completed	N/A
Clearing of church site B.V.	30	10/02/2015	05/03/2015	1.5		1.5	Clearing	Completed	N/A
Catting of sabhunga to Dept. of Justice-Libode	13	06/03/2015	08/02/2015				Catting	Completed	N/A
Grading of A/R to upper Ndungunyeni	7	21/04/2015	Not done				Blading	Not done	Committed machinery
Maintenance of Maqanyeni A/R	29	22/04/2015	Not attended				Blading	Not attended	Machines breakdowns
Maintenance of Maqanyeni A/R	10	19/05/2015	14/07/2015	3.5		3.5	Blading	Completed	Completed due to community unrest.
Blading of Ngqeleni Correctional Services Sports	21	19/05/2015	Still to be done				Blading	Still to be done	Machinery is committed

ground									
Filling of hole at Mhlanganisweni	3	19/05/2015	Not done				Filling	Not done	Outside our core bussiness
Grading of road to Mangqishi home-Libode	31	19/05/2015	23/05/2015	1.5		1.5	Blading	Completed	Completed
Grading of road to Mafini	15	19/05/2015	Not attended				Blading	Not attended	Machine breakdowns
Levelling of sportsfield in Mhlanganisweni	3	12/06/2015		1.1		1.1	Levelling	Completed	Completed
Request for construction of irrigation dam	3	09/07/2015	Still to be assessed				Excavation	Still to be assessed	Still to be done
Request for closing of Mngamnye dam	30	21/07/2015	Not done				Excavation	Not done	Requires fill material
Maintenance of access road to Maqanyeni great place	21	24/08/2015	Not done				Blading	Assessed	To be done
Maintenance of gravel road to Sinenthemba special school	21	14/09/2015	Not done				Blading	Assessed	To be done
Grading of road to Mr Mncele Funeral	29	18/09/2015	24/09/2015	1.7		1.7	Blading	Completed	N/A
Blading of Ngqeleni Correctional Services Sports ground	21	19/05/2015	19/11/2015	1.1		1.1	Blading	Completed	N/A
Mkhankatho Funeral Levelling of tent site	15	19/05/2016	20/05/2016	0.67		0.67	Blading	Completed	

Mafini Access Road	15	19/05/2016	20/05/2016	1.2		1.2	Blading	Completed	
Bhantini to Kubhodi bridge	21	15/05/2015	Still to be done				Bridge maintenance	Not done	N/A
Total				17.27		17.27			
TOTAL MAINTENANCE IN FINANCIAL YEAR 2015/16 TO 30 JUNE 2016						84.9			

CAPITAL PROJECTS SUMMARY FROM IDP

Project Name	Ward	Description	Project Amount	Expenditure	Planned (km's)	Actual km's	Progress
Mdzwina Internal Roads	20		3898348.67	3805839.82	1.4	11.5	Completed
Ncambedlana to Manzimahle Access rd	14		6424160.49	2555368.81	10.1	8.7	Completed
Dalagubha Access road	16		4803870.68	4513387.34	13	17.5	Completed
Maqanyeni to Mgungundlovu Access rd	18		2991636.45	3138575.51	6.2	6.2	Completed
Sezela to Njezweni Access rd	29		4303495.75	3251990.54	6.1	6.1	Completed
Mzonyane Access rd	25		3210643.01	3111892.20	6.5	6.5	Completed
Tembeni Access rd	1		4732758.23	4492053.33	13	13	Completed
Church of God to Belmont Access rd	7		3380874.83	3380500.15	8	8	Completed
Zinduneni to Bandla Access rd	19		5797489.27	5778110.53	14	14.4	Completed
Lukanyisweni Access rd	11		3887525.40	3858922.80	6.5	6.5	Completed
Dumase to Mangwaneni Access rd	13		3356749.68	2589749.69	6	6.5	Completed

Zanokanyo to Lutsheko Access rd	30		3571649.07	3138575.51	6.8	10	Completed
Nggeleni Street surface	21		4327451.11	2759450.09	2.5		Termination
Nggeleni alternative surfacing	21		7226315.34	6864620.84	5.5	5.5	Completed
Lidode Transport Hub	7		11711782.72	9765110.79			Completed
Libode Sportsfield	7		9062493.43	6728171.50			On progress
Total			82687244.13	69732319.45	105.6	120.4	

T3.7.7 EMPLOYEES ROADS SERVICES

Employees: Roads Services :T3.7.7					
JOB LEVEL	EMPLOYEE No FY 15-16	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
3	2	2	2	0	0
6	10	10	9	1	10%
7	4	4	3	1	25%
8	3	3	2	1	33,33%
10	2	2	2	0	0
11	6	6	6	0	14,2
16	2	2	2	0	0%
20	1	1	1	0	0
Total	30	30	27	3	10%

T3.7.8 FINANCIAL PERFORMANCE: YEAR 2015/16: ROADS SERVICES

Financial Performance Year 2016: Road Services					
R'000					
Details	2015	2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	
Expenditure:					
Employees	11335	12908	12908	12998	1%
Repairs and Maintenance	4288	22022	23022	3998	-82%
Other	1580				
Total Operational Expenditure	17203	34930	35930	16996	-51%
Net Operational Expenditure	17203	34930	35930	16996	-51%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.7.8

T 3.7.9 CAPITAL EXPENDITURE 2015/16: ROADS SERVICES

Capital Expenditure Year 2016: Road Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	65 021	78 062	68 419	5%	
Road Construction	58 354	71 332	63 766	9%	63 766
Plant & Equipment	4 500	4 563	4 069	-11%	4 069
Intangible assets	1 367	1 367	180	-87%	180
Motor Vehicles	800	800	404	-50%	404
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.7.9

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

T3.8.1 INTRODUCTION:

The Transport section in the Municipality does not have Public Bus operations. The main operations include Drivers' License Testing Centre and road safety programmes. The following are the achievements under Public Safety on transport matters: *No Municipal bus service hence no municipal data. Testing ground is operational.*

T3.8.3 TRANSPORT SERVICES OBJECTIVES TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON DEVIATION	FOR CORRECTIVE MEASURE
Public Safety & Security	To facilitate Public Safety Programmes	Co – ordination 4 Community Safety Forums	Number of Community Safety Forum sittings and 1 reviewed Community Safety Forum	1. Conven e 04 commu nity safety forum sittings 2. Review of Commu nity Safety Plan	-	1.Minutes 2.Attendanc e registers	Meetings were held as follows: 1. 22 October 2015 2. 25 February 2016 3. 21 April 2016 4. 04 May 2016 Community Safety Plan was reviewed on:	Achieved	-	-
		Co – ordination of Nyandeni Transport Forum	Number of Transport Forum sittings	Conven e 04 NTF Sittings	-	1.Minutes 2.Attendanc e registers	Meetings were held as follows: 1. 20 August 2015 2. 11 November 2015 3. 02 December 2015 4. 03 March 2016 5. 16 March 2016	Achieved	-	-

Public Safety & Security	To facilitate Public Safety Programmes	Driving Licence Testing Centre(DLTC) Programmes	Number of learners licenses, driving licenses and PrDP's issued	Learners licences : 4000 New issued D/L and renewals: 2400 PrDP's: 600	-	Report RD323	Learners Licences: 3,721 New issued D/L and renewals: 2,962 PrDP's: 567 Revenue generated: R2'854'269.00	Deviated	The DLTC is operating with 1 LCU (Live Capture Unit) since September 2015. The roll out of the new equipment has be postponed/delayed. 2. The Department of Transport had issues with the contracted service provider which processes the required clearance certificates for PrDP applications until such time that the authority had to refer all applicants to the SAPS	The Department of Transport is the proprietor of the equipment and the eNaTIS, therefor the maintenance thereof remains in their capacity.
		Registering Authority(RA) Programmes	Number of registered and licensed vehicles	Registration and Licensing of 1000 motor vehicles	-	Report RD323	Registered vehicles: 169 Licenced vehicles : 1,547 Revenue generated: R1'202'342.80	Achieved	-	-

		Support Arrive Alive Campaigns	Number of campaigns supported	Support two Arrive Alive launch campaigns	-	1.Transport statistics 2.Attendance registers 3.Report	Arrive Alive Campaigns were held as follows: 1. 08 December 2015 2. 22 March 2016	Achieved	-	-
		Enforcement of Municipal By – Laws	Report on the number of by-laws enforced	Enforcement of 13 by-laws (waste management by-law, pound by-law, street trading, Environmental Health by-laws, stray animals, parking violation, nuisance by-laws, illegal connection by-laws, Encroachment on property by-law, Funeral Undertaker by-law, Parking ground by-law, Public	Enforcement of 15 by-laws (under developed site by-law, liquor trading by-law, waste management by-law, pound by-law, street trading, Environmental Health by-laws, stray animals, parking violation, nuisance by-laws, illegal connection by-laws, Encroachment on property by-law, Funeral Undertaker by-law, Parking ground by-law, Public gathering	No of Sec 341 issued and an updated transgression register	Law Enforcement: The following By-Laws were enforced: 1. Liquor Trading by-law 2. Encroachment and Property by-law 3. Funeral Undertaker by-law 4. Street Trading by-law Revenue collected: R32,981.00 Traffic enforcement Total S56 summonses issued: 395 Expected revenue to be collected: R368.330.00 Actual revenue collected: R46,700.00 Transgression Register is updated.	Deviated	Not enough personnel to enforce all the by-laws.	The plan is to focus on the enforcement of identified by-laws each month.

				meeting and gathering by-law, Public sewerage by-law)	by-law, Public sewerage by-law)					
		To safeguard and secure municipal facilities	Security report on safeguarding of Municipal facilities	Safeguard all eight municipal facilities	-	Reports per facility	All municipal facilities are safeguarded	Achieved	-	-

T3.8.4 EMPLOYEES TRANSPORT SERVICES

Employees: (Examiners, Enatis clerk, Superintendent, traffic officers, Protection Commander ,Security Guards):T3.8.4						
JOB LEVEL	EMPLOYEE NO 14/15	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %	
5	46	48	48	0	0	
7	8	8	8	0	0%	
8	4	10	10	0	0%	
10	1	1	1	0		
11	2	2	2	0	0	
16	1	1	1	0	0	
Total	62	70	71	0	0%	

T3.8.5 FINANCIAL PERFORMANCE: YEAR 2015/16: TRANSPORT SERVICES: N/A

T3.8.6 CAPITAL EXPENDITURE: YEAR 2015/16: TRANSPORT SERVICES: N/A

3.9 STORMWATER DRAINAGE

T3.9.1 INTRODUCTION TO STORMWATER DRAINAGE

In 2011/12, a storm water master plan was developed. Projects in both towns were implemented through storm water master plan which was developed for storm water control in both towns. Projects were then extracted and implemented in phases as the costs are very high for implementing the whole proposal for master plan. Some components of storm water are catered for in the roads projects that are being implemented. Upgrading of existing storm water with stone pitching or concrete drains is done through maintenance unit and increases life span of roads infrastructure.

Storm water projects were implemented in improving roads infrastructure in different areas in this financial year. the staff used in storm water projects is the same staff being used in roads section of the report as the storm water is the component of roads infrastructure.

T3.9.2 STORMWATER INFRASTRUCTURE

Storm water Infrastructure kilometers				
	Total Storm water Measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
Year -2 (2013/14 FY)	3.6 km	3.6 km of Dia. 600mm	30 metres for pipe culverts and 2 km to stone pitching	Nil
Year -1 (2015/16 FY)	25.4	Nil	25.4 stone pitching	25.4
Year -0 (2015/16 FY)	7 km completed	7 km	Under construction	7 km

T3.9.3 COST OF CONSTRUCTION/MAINTENANCE

Cost of construction / Maintenance R'000			
	Storm water Measures		
	New	Upgraded	Maintained
Year -2 (2013/14 FY)	Nil	Nil	Nil
Year -1 (2015/16 FY)	Nil	Nil	Nil
Year -0 (2015/16 FY)	Nil	Refer to maintenance plan above	Nil

T3.9.5 STORMWATER POLICY OBJECTIVES TAKEN FROM IDP

Storm water Policy Objectives Taken From IDP									
Service Objectives/ Service Indicators	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		Previous Year		*Previous Year	Current Year		Current Year	Current Year/Actual	Following Year
Provision of Storm water control system									
To improve storm water system so as to achieve life span of road network		Master plan developed	Developed Master Plan for Storm Water		Project Registration	Projects identified for storm water implementation and busy with scope of works	Implement projects on Master plan	Designs for master plan	

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

T3.10. INTRODUCTION TO PLANNING AND DEVELOPMENT

The Municipality has an approved Spatial Development Framework and has since developed various local spatial development plans, however the promulgation of the Spatial Planning and Land use Management Act has necessitated a review of the current SDF so that it is in line with the new legislation.

The municipality has an approved spatial development framework plan with a five year planning horizon. The Spatial Development Framework Plan 2011, identifies rural and urban nodes with growth and economic development potential. Detailed local area plans were developed for these nodes as recommended by the Spatial Development Framework Plan. The Libode/ R61 Corridor LSDF and Ngqeleni LSDF were just some of the local area plans that were developed and formed a basis and guide for the growth of the two urban areas.

The Spatial Development Framework Plan identifies urban and rural nodes. Libode is identified as a Primary urban node and Ngqeleni is identified as a Secondary Node. The OR Tambo District SDF describes these urban nodes as lower order service centres. From the local municipal perspective, they remain important as urban settlements where goods and services can be accessed. (NLM, SDF section 5.3.1). The SDF further identifies coastal nodes and classifies them into Primary and Secondary coastal nodes where Mthatha Mouth and Mdumbi are classified as Primary and Presley Bay/ Lwandile classified as secondary nodes.

Rural nodes are identified in the SDF as rural service centres and are namely, Nyandeni Village, Ntlaza Junction, Kop Shop and Canzibe.

OPPORTUNITIES OF PHYSICAL PLANNING

Council adopted Spatial Development Framework Plan;

Planning Legislation that is implemented: Spatial Planning and Land use Management Act;

In August 2013, the President of the Republic promulgated the Spatial Planning and Land Use Management Act. This a National Piece of legislation which intends to repeal old planning legislation such as the Townships Ordinance 33 of 1934 that is currently applicable in the Nyandeni area. The intention of this new planning legislation is to allow for the main components of a land use management system, the SDF, Town Planning Scheme and its regulations. SPLUMA came into effect on the 1st July 2015.

An active Municipal Council and the department Cooperative Governance and Traditional Affairs (COGTA) as structures that approve development applications but after the enactment of SPLUMA all land development applications should be dealt with by a Municipal Planning Tribunal. Nyandeni Local Municipality opted for a District Municipal Planning Tribunal.

CHALLENGES OF PHYSICAL PLANNING

- Non- availability of GIS system to assist in the implementation of effective Land use management
- Outdated pieces of legislation and scheme regulations that do not respond to new land use management trends such as mixed use developments etc;
- Lengthy approval time for development applications;
- Legislation that rests planning decision making at provincial level;
- Relying on external service providers for submission on behalf of the municipality of all land use development application and township establishment;
- Time taken for the requirements of Environmental Legislation prior physical development could take place;
- Land ownership and tenure system;
- Complexity of specifications of planning and survey services that slow down supply chain management processes;
- Unlawful occupation of land, Land invasion poses a threat to development.
- Implementation of SPLUMA, particularly the formation of a Municipal tribunal
- Municipal and Traditional authority conflicts over land use management

T3.10 PLANNING

T3.10.1 INTRODUCTION TO PLANNING

The key focus areas/ categories of spatial planning are Settlement Planning, Land Use Management and forward planning.

Forward Planning

A workshop was held for council and municipal officials to workshop the implications of the Land Use Management Act consultations for the commencement of this act carried on throughout the year, this act is necessary for uniform developments, recognisable and comprehensive system of spatial planning and land use management be established throughout the country to maintain economic unity, equal opportunity and equal access to government services.

In 2011 council adopted its 2nd generation Spatial Development framework plan. A number of local spatial development plans identified in the framework plan have been developed and adopted. Service providers were appointed to develop Two Local Spatial Development frameworks namely the Canzibe LSDF and Mthatha Mouth LSDF. These Local Spatial Development framework give effect to the development principles, norms and standards set out in chapter 2 of the Land Use Management Act. These LSDFs include some of the requirements set out in chapter 4 Part E of the Act.

Settlement Planning

The municipality proclaimed Extension 2, Libode as a new township as well as extension 3 and 5 Ngqeleni. A total of 3 Township registers were opened respectively for the abovementioned townships. A conveyancer was appointed to facilitate the disposal of the 66 middle income residential sites in Extension 2 Libode, the properties are in the process of being transferred to the respective owners. Extension 5, Ngqeleni is a low-cost housing development,

Land Use Management

During the year under review the Municipality had been dealing with applications in respect of the following:-

In collaboration with the Department of Public Works, a developer has been appointed to develop an office park on Erf 1286, Libode.

A development concept to approve a shopping centre on Erf 88 Libode has been approved by Council, a suitable developer was appointed for the development of Erf 88,

Developers were appointed for developing Erf 914 at Ngqeleni for commercial purposes, several meetings and consultations have been had with the appointed developers. The intention of this development is to accelerate commercial development, uplifting the face of the town and create sustainable jobs. The municipality encountered some delays with this development due to uncertainty on land ownership which has since been resolved.

T3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

APPLICATIONS FOR LAND USE DEVELOPMENT						
DETAIL	FORMALISATION OF TOWNSHIPS		REZONING		BUILT ENVIRONMENT	
	2015/16	2015/16	2015/16	2015/16	2015/16	2015/16
Planning application received	Township registration of Extension 2, Libode, Extension 3 and 5 Ngqeleni.	Township Establishment of 80 units on Erf 90. Township establishment for 20 units in Libode	Rezoning of Erf 166, Ngqeleni.	Subdivision and Rezoning of Erf 2 Ngqeleni, Subdivision of Erf 161, Libode	Department of Public Works commenced with Social services development	Appointment of a developer for the development of a commercial development on Erf 88, Libode
Determination made in year of receipt (approval)	Application for Township Establishment of 80 units received council approval	Council Approval MEC's approval	Council approval	Council Approval	Council Approval and appointment.	Approval of building plan and construction.
Determination made in ff year (approval)		Municipal Planning Tribunal (MPT) approval		Municipal Planning Tribunal (MPT) approval		Development commences
Applications withdrawn	Zero	Zero	Zero	Zero	Zero	Zero
Applications outstanding at year end		Township Establishment of 80 units on Erf 90. Township establishment for 20 units in Libode		Subdivision and Rezoning of Erf 2 Ngqeleni, Subdivision of Erf 161, Libode		

T3.10.3 PLANNING POLICY OBJECTIVES TAKEN FROM IDP

FOCUS AREA PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMAN CE	ACHIEVE D/DEVIAT ED	REASON DEVIATION FOR	CORRECTIVE MEASURE
Spatial Planning Settlement Planning	To increase the number of middle income housing stock and business sites for the growth of both towns of Libode and Ngqeleni	Township Establishment of a portion of Erf 90 (82 units)	Facilitate the approval and proclaimed new Township (human settlement)	Facilitate approval of a township by MEC	Facilitate submission and approval of a township for 82 units at Libode to the township board	Copy of the outcome	Application has been developed and submitted to the township board and OR Tambo DM is yet to prepare a letter confirming services	Achieved	-	-
		Establishment of new township 20 units on Libode commonage	Approved layout plan and planning report	Develop general Plan and obtain approval from SG	Develop and approve layout plan for 20 units in Libode commonage	Approved SG diagram and General Plan	The layout plan was developed by Ilizwe Consulting and presented only to the standing committee	Deviated	The submission of the layout plan to Surveyor General office was delayed due to the fact that the layout had to be submitted to council which did not sit as scheduled	The layout plan to be submitted to the Exco and council during the 1st Quarter of 2016/2017
		Initiate subdivision and rezoning of FET site, Libode	Facilitations conducted for the subdivision plan	Prepare subdivision and rezoning application for KSD FET site and submit for approval	Facilitate subdivision and rezoning of KSD FET site	Copy of application	Specification had been developed and submitted to the specification committee	Deviated	Application was going to be packaged and submitted to the Municipal Planning Tribunal which has not yet been constituted by the District Municipality	OR Tambo is yet to fast-track formation of municipal planning tribunal

		By initiating a middle income township, Ngqeleni	Faciliations conducted for the layout plan and planning report	Facilitate entire application process for township establishm ent	Facilitate township establishme nt for middle income earners in Ngqeleni	Copy application of	The Concept document was done	Deviated	Application was going be packaged and submitted to the Municipal Planning Tribunal which has not yet been constituted by the District Municipality	OR Tambo is yet to fasttrack formation of municipal planning tribunal
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FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Property Geometrics and Survey	To survey, develop general plans and relocate peg boundaries in order to shape the built form	By surveying and developing General Plan for 1328 units	Approved General plan	Develop General Plan for 1328 low cost units, Libode	-	Copy of General Plan	Specification for the project was done and approved by the spec committee and the appointment of the Consultant was done	Deviated	The project could not be executed on time due to the fact that when the project was awarded it was done for only town planning work and not for surveying	The project will be re-advertised during the 1st Quarter of 2016/17 financial year
		By conducting a needs assessment on Geographic information System	Assessment report on GIS	Conduct needs assessment for GIS	-	Copy of the assessment report	The GIS needs assessment was conducted and report produced	Achieved	-	-
Land Development	To facilitate the development of strategic areas for commercial development	By facilitating development of Nyandeni office park.	Due diligence report obtained	Finalize all outstanding development matters.	Obtain due diligence outcomes on office park development from DRPW quarterly	Copy of due diligence report	Due diligence report is available	Achieved	-	-

		Facilitate the development of a shopping centre at Erf 914, Ngqeleni	Number of quarterly progress meetings held	Finalise development and lease agreements	Finalise lease agreements and monitor progress on the development of erf 914 in Ngqeleni	Minutes of progress report meetings and signed copies of development and lease agreements	Draft lease and development agreements are in place and also the list of possible tenants is in place	Deviated	The developer was delayed by the anchor tenant who withdraws from the development citing lack of market	This will be taken further during 2016/17 financial year
		Facilitate the development of Erf 88 for commercial purposes	Developer appointed and development contract signed	Finalise development and lease agreements Commence with construction	Finalize lease agreements and Monitor progress on development of erf 88 in Libode	Photos and attendance register and minutes	Development and lease agreements have been developed and signed	Achieved	-	-

T3.10.4 EMPLOYEES: PLANNING SERVICES

Employees Planning Services					
	2013/14	2015/16			
Job level	Employees no.	Posts	Employees no.	Vacancies	Vacancies (as a % of total posts)
Task Grade 16	1	1	1	0	
Task Grade 11	1	1	1	0	
	2	2	2	0	

T3.10.5-6: BUDGET INCLUDED IN LED

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

T3.11.1 INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Brief presentation of LED strategy

The municipality LED Strategy will be reviewing during 2016/2017 financial year. The Strategy contains the status quo of local economic development and a strategic plan chapter that suggests a set of responses to identified opportunities and constraints for economic growth in the area.

The LED Strategy identifies four strategic focus areas within which multiple interventions are proposed. These are: Strategic Institutional and Infrastructural Partnerships, Enterprise Support, Agriculture and Tourism.

2. Setting up LED unit

Local Economic Development falls within Planning and Development Department. It is a fully fledged unit. The Unit has three sub-sections, Agricultural Development, SMME Development and Tourism Development and is headed by LED Manager who reports to the Senior Manager Planning & Development. The LED Unit is made up of six posts of which all of them are filled up.

3. The availability of LED expertise

The recruitment strategy provides for the recruitment of personnel who have skills on LED and who have qualifications on the area of Economic Development.

4. LED stakeholder forum functionality

Our Municipality has got an LED Forum which is a platform to engage stakeholders on all LED matters. The Section met the set target and successfully held 4 LED Fora meetings during the year under review. Also, through the Intergovernmental Relations, we established an Economic and Infrastructure Cluster in which the Government Departments and other LED institutions participate. The LED Forum is made up of the following stakeholders:

LED Standing Committee

NAFCOC

Farmers Association (Libode & Ngqeleni)

Informal Traders Association (Libode & Ngqeleni)

Cooperatives Structure

Nyandeni Local Tourism Organization
 Department of Rural Development and Agrarian Reform
 Eastern Cape Development Cooperation
 Department of Social Development
 Department of Economic Development, Environmental Affairs and Tourism
 Department of Environmental Affairs
 O. R. Tambo District Municipality
 Traditional Leaders (Libode & Ngqeleni)
 Taxi Industry (Libode, Ngqeleni & Ntlaza)
 Eastern Cape Parks and Tourism Agency (ECPTA)
 Department of Trade and Industry (DTI)
 Eastern Cape Development Cooperation (ECDC)
 Small Enterprise Development Agency (SEDA)
 Department of Environment Affairs (DEA)
 Eastern Cape Appropriate Technology (ECATU)
 Eastern Cape Development Agency (ECRDA)
 Walter Sisulu University (WSU)
 University of Fort Hare (UFH)
 Tsolo Agricultural and Rural Development Institute (TARDI)
 Department of Rural Development and Land Reform (DRDLR)

5. Funding opportunities of LED activities (indicative figures on Donors/funders and types of program)

Our Municipality partnered with the Department of Rural Development and Agrarian Reform in producing maize for farmers who contributed 25% or R1800 per hectare towards crop production. The municipality spent a total of R1.5 million in support of 2500 hectares in Nyandeni

A total amount R9.230 million has been invested on the Community Works Program by COCGTA and is implemented in 13 wards of the Municipality over a period of three years.

Provincial COGTA injected an amount of R10 million for an EPWP project in ward 04 which appoints 75 participants over a period of 3 years.

Working for the Coast project received an injection of R12.5 million from DEA as well for coast care management to be implemented over the three years.

An amount of R10 million was received from the National Department Tourism to rehabilitate the Wild Coast Hiking trail between Port St Johns LM, Nyandeni LM and KSD LM.

6. Progress towards achieving the LED key objectives

6.1 Improve public and market confidence

For the past years the municipality has been successfully implementing internal and external funded projects and its continuous spending of budget resulted in the improvement of public perception and market confidence to the municipality. All the projects that were funded from external funding sources were implemented without problems and the Municipality had been able to properly account for those funds. The public plays a significant role in the identification, planning, decision making and implementation phases of the projects. Community members are beneficiaries in the projects. Community Consultation has been fundamental on all LED Programmes and LED initiatives that the Municipality has undertaken

The stability that the Municipality is enjoying, both politically and administratively has permitted the municipality to gain public confidence. The sitting of the LED Forums and Economic Infrastructure Clusters also plays a significant role in improving public confidence. Through assistance from Ntinga O.R .Tambo Development Agency the municipality has developed a Small Towns Revitalization strategy which seeks to attract investors.

A Local Economic Development Funding Policy has been developed.

6.2 Spatial Development Framework Plan (SDF)/Land use management system (LUMS) and Settlement Planning;

The Municipality's Spatial Development Framework Plan is in place which was reviewed and adopted by Council in March 2011. A local Spatial Development Framework for Libode R61 Corridor and Ntlaza Junction has been developed and adopted by the Council. Ngqeleni has a Council approved Local Spatial Development Framework which was funded by the Department of Local Government and Traditional Affairs. A Precinct Plan for Ngqeleni has been developed and approved by the Council funded the Department of Economic Development.

The municipality has further identified rural economic nodal points which have Local Spatial Development frameworks i.e. Canzibe and Ntlaza.

Mthatha Mouth and Mdumbi have been identified by DEDEAT for the development of a new town as such Local SDF has been developed, a feasibility study for the proposed town is complete.

6.3 Red tape reduction: Turn-around time for licensing and other business related application

All Informal Traders trading in Nyandeni have identification cards. Licenses are being issued and valid for a period of a year renewable in July. An application for a business licence or hawker permit is considered within 3 months after submission. The LED section informs the applicant on whether the application is successful or not. The licence for a new application is payable for the duration of a year. Licence renewal is done on an annual basis. The Municipality designed Hawker identification cards issued upon licence renewal and will be used as identification cards amongst hawkers. Cards are issued to all permits and licences holders. Joint operations are being conducted by LED Department, Community Services, Environmental Health and Law Enforcement through the enforcement of by-laws. The exercise has resulted in the payment of business licences and trading permits and thus promoting a sustainable Informal Trading environment. Nodal economic areas are now paying licences.

With the promulgation and coming into being of SPLUMA all land development application will no longer be considered and approved by provincial department of Local Government, but will be done local through the municipal planning tribunal.

6.4 Investments and trading by-laws

An Investment Committee comprising of the Mayor, Portfolio Head Budget and Treasury, Portfolio Head Local Economic Development, the Municipal Manager and Senior Managers: Infrastructure and Planning and Development exists within the Municipality. Developers were invited to make a proposal for the development of an Office Park on municipal land, being Erf 1286, Libode and an appointment was consequently made. The Department of Health and Education have confirmed themselves as potential occupiers of this huge development. Also, proposals were invited for the relocation of Ngqeleni Stadium and development of a Retail Park at Ngqeleni. The Department of Public Works has commenced with the development of offices for the Department of Social Development at a portion of Erf 89, Libode.

The Municipality had developed and adopted the Concept for the development of Erf 88 in Libode into a commercial development. Our Municipality/ also allocated Erf 124, Ngqeleni to Ngqeleni Taxi Association for the development of a fuel centre. This development commenced during the current financial year (2015/ 2016 financial Year) and is expected to be completed in 2016/2017 financial year.

Our Department is currently implementing the following By-laws:-

- Street Trading By-law
- Public Space By-law, and
- Encroachment By-law
- Underdeveloped sites by-law
- Liquor trading by-law

The municipality has developed two new bylaws:

- Underdeveloped sites by-law
- Liquor trading by-law

6.5 Provision and maintenance of quality and reliable infrastructure: Roads; ITC; market places.

Working jointly with Infrastructure Department, our Municipality is developing a Transport Hub in Libode, the project has been funded through MIG. Contractor is on site though delays have been experienced. An engineer and contractor have been appointed. The hub intends providing space for the taxi industry Informal trade infrastructure. Our Infrastructure Department has developed a maintenance plan for roads to LED and Tourism projects which will be maintained using plant and machinery at the disposal of the Municipality. Influences were also made to Infrastructure department to allocate more MIG funds for roads leading to LED and Tourism projects. The municipality through infrastructure department has developed an Integrated Transport and Roads Master plan

6.6 Disaster management within the context of conducive environment for economic development (policy/framework adoption and implementation);

Disaster Management is within the competence of O.R. Tambo District Municipality. The district has developed a Disaster Management Plan which serves as a guide in ensuring that the environment is conducive for economic development. Further the district Municipality has housed a disaster office within our Municipality. During the incidents of disaster this satellite office assists officials from Municipal Human Settlement to conduct assessment of affected households. There is also budget provided by the Nyandeni local Municipality for intervention during occurrence of disasters. Awareness campaigns, assessments and response material are being provided. An amount of R27 million over a period of 3 years was approved by National Disaster Management Centre for disaster that occurred in April 2013.

a. Exploit comparative and competitive advantage for industrial activities

Our Municipality has got potential for industrial development due to large tracks of land at its disposal.

Our Comparative advantage includes vast tracks of arable and grazing land, unspoilt beaches and estuaries and new afforestation programme.

With regards to Coastal Area the municipality has developed a Local Spatial Development Framework for Mthatha Mouth/Mdumbi

The municipality has further developed a Retail Sector Strategy which will guide the development of the sector.

The newly developed Small Towns Revitalization Strategy also identifies key industrial programs for both towns.

An Agricultural Sector Plan which identifies seven areas of intervention that the municipality needs to tap into is in place.

A 100 hector farm in Makhotyana is being fenced to encourage farming activities

The municipality has installed infrastructure for essential oils in Malungeni (irrigation system, engine plus fencing) and is conducting trials on essential plants production

Mining is also a growing industry within the municipality and a resource to road construction and brick manufacturing. The municipality has also conducted a feasibility study on clay mining by means of tapping into commercial clay brick production and geo-tech study for clay mining has been conducted which confirms sufficient clay resources for commercial activities .

A forestry sector plan has been developed and approved by the Council. As part of implementing the forestry plan, a business plan for fruit trees production has been developed for Mhlanga CWP program.

7. Intensify Enterprise support and business development

7.1 The type of business development services (BDS) provided to SMME;

Our Municipality has been involved in a number of SMME's and Co-operative supports and development during the year under review. The following are some of the supports provided:-

- Implementation of the SMME and Cooperative development Strategy through
 - Providing capacity building and training to 83 SMMEs and Co-operatives members, trainings were offered by SEDA and ECDC for the year 2015/2016
 - Eight (10) SMME's have been supported through agricultural funding (provision and supply of inputs)
 - A Retail Sector Strategy has been developed to enhance business development.
 - Keep an up to date data base of businesses and ensured that business licenses and trading permits are paid for.

7.2 Public and private partnerships established

The Municipality had no formal partnerships established as prescribed by the National Treasury. Nonetheless, the Municipality had partnerships with the following institutions:-

- The Municipality has developed a partnership with Walter Sisulu and reviewed one with Tsolo Agriculture and Rural Development Institute (TARDI)
- The parties agree to collaborate on the following
- Capacity Building and Training of entrepreneurs (SMME's/Organized Community Initiatives/Co-operatives/NGO's/CBO's)
- Research and Learning-
- Policy, Strategy and Sector Plan Formulation and Implementation within Local Economic Public Dialogue on Rural Development in the form of an Annual Rural Development Conference: which provides opportunities exposure and training of rural development practitioners
- The University of Fort Hare for the development of an Agricultural Sector Plan the plan has been developed.
- WSU trained 60 coop members
- Partnered with the Department of Co-operative Governance and Traditional Affairs for the roll out of Community Work Programme to 04 wards

7.3 Number of new formal SMME established within the municipality

The municipality has a data base of 76 SMME's and Cooperatives registered in the municipal database. Our Municipality is responsible for keeping the Data base of the SMME's and Co-operatives made of the following sectors: Agriculture, Tourism, Manufacturing, Transport, Cleaning Services, Catering, Construction and Housing, Social Services, Burial Services and Bee Farming. New Businesses and cooperatives are advised to register on SEDA's database for support. SEDA provides business and technical support to SMME's and cooperatives. Those that provide goods and services are encouraged to register on the municipal supplier database. Platforms to create awareness on database registration are being created. As a result a few formal business are registering on the database.

7.4 Number of new employment opportunities through Expanded Public Works Programs and Public and Private Partnerships

The following employment opportunities were created through Local Economic Development:-

- Coast Care Project focusing on cleaning the coastal area and had employed 35 people.
- 1138 people appointed in 13 wards on Community Work Programme
- 75 people appointed by COGTA on Community Work Programme for Mhlanga pilot project
- 30 people appointed for fencing of the Makhotyana farm
- 06 people appointed for essential oils trial
- 10 people appointed for S.S. Mendi memorial site rehabilitation
- 35 people employed for the Wild coast hiking trail rehabilitation

8. Support Social investment program

Beach Festive Programme

- 34 Life Guards were appointed for two seasons December and Easter holidays.
- Cleaning of beaches after the festive season was done through the Working for the Coast programme.

Currently the Municipality's basis for economic activity by sector is based on census 2011as follows:

The table below lists the sectors' contribution to the total economic growth for the period 2005-2011. In 2011 the community services sector contributed 1.1 percentage points to the overall GDP growth, only the community services sector made a notable contribution to economic growth in Nyandeni Local Municipality in 2011. This clearly reflects the importance of this community services sector in the Nyandeni Local Municipality's economy.

BROAD SECTOR CONTRIBUTION TOWARDS TOTAL ECONOMIC GROWTH -
 NYANDENI LOCAL MUNICIPALITY, 2005 – 2011 [PERCENTAGE POINT -
 CONSTANT 2005 PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	-0.3%	0.4%	0.1%	0.3%	0.2%	-0.1%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	0.0%	0.1%	0.1%	0.0%	-0.1%	0.1%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%
Trade	0.5%	0.3%	0.3%	-0.1%	-0.2%	0.3%	0.0%
Transport	0.1%	0.0%	0.1%	0.0%	-0.1%	-0.1%	0.0%
Finance	0.5%	0.5%	0.5%	0.5%	0.0%	-0.1%	0.0%
Community services	1.1%	1.9%	1.0%	1.1%	0.8%	2.5%	1.1%
Total Industries	1.9%	3.3%	2.1%	1.8%	0.7%	2.6%	1.1%
Taxes less Subsidies on products	0.1%	0.3%	0.2%	0.4%	0.1%	0.7%	0.3%
Total (Gross Domestic Product - GDP)	1.9%	3.6%	2.3%	2.2%	0.9%	3.4%	1.4%

Source: IHS Global Insight Regional Explorer version 648

The growth in Community Services sector was also the only sector that delivered significant positive and consistent growth within Nyandeni Local Municipality over the period under review.

*Currently the Municipality's basis for economic employment by sector is based on census 2011 as follows:

TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, -
 NYANDENI LOCAL MUNICIPALITY, 2005 - 2011 [NUMBERS]

Sector	2005	2006	2007	2008	2009	2010	2011	AAGR 2005-2011
Agriculture	376	391	440	440	395	362	341	-1.6%
Mining	0	0	0	0	0	0	0	-0.4%
Manufacturing	276	285	291	293	265	265	275	-0.1%
Electricity	40	43	47	45	43	41	40	0.0%
Construction	509	475	473	480	421	439	452	-2.0%
Trade	991	1 008	958	1 031	954	952	948	-0.7%
Transport	344	351	350	481	468	474	467	5.2%
Finance	191	196	206	225	241	241	245	4.3%
Community services	3 697	3 875	4 207	4 550	4 614	4 590	4 755	4.3%
Households	1 284	1 363	1 562	1 715	1 668	1 580	1 547	3.1%
Total	7 707	7 988	8 535	9 261	9 068	8 944	9 069	2.7%

Source: IHS Global Insight Regional Explorer version 648

The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 33 jobs and (2) agriculture down by 21 jobs. For the rest of the sectors it stayed relatively unchanged only for the Community services sector where an increase of

165 jobs is recorded from 2010 to 2011. The tertiary sector showed the highest average annual growth rate for the period between 2005 and 2011.

T3.11.5 JOBS CREATED IN 2015/16 BY LED INITIATIVES

Jobs Created during Year 2015/16 by LED Initiatives (Excluding EPWP Projects)				
Total jobs created/ Top 3 Initiatives	Jobs Created No	Jobs lost/displaced by other initiatives No	Net total jobs created in year No	Method of validating jobs created/lost
Total (all initiatives)				
Year 2: 2015/16	Coast Care: 35	0	35	Report from implementer
Year 2: 2015/16	Wild Coast Hiking trail : 35	0	35	Report from implementer
Year 2: 2015/16	CWP COGTA: 75	0	75	Reports and attendance register
Year 2: 2015/16	Lifeguard Services	0	34	Appointment contracts and attendance register
Year 2: 2015/16	CWP 13 wards : 1138	0	1138	Reports from implementer
Year 2: 2015/16	Makhotyana fencing: 30	0	30	Appointment contracts and attendance register
Year 2: 2015/16	Essential Oils trial and clay geo-tech: 12	0	12	Report from implementer
Year 2: 2015/16	S.S.Mendi Rehabilitation: 10	0	10	Appointment contracts, attendance register and implementer report.
Year 1: 2015/16				
Year 0: 2015/16	173	0	173	Statistics available

T3.11.6 JOBS CREATION THROUGH EPWP PROJECTS

Jobs Creation through EPWP Projects		
Details	EPWP Projects No	Jobs created through EPWP Projects (Community Works Programme No
Year 2: 2016/17	5	1500
Year 1: 2015/16	5	1293
Year 0: 2015/16	5	1216

3.11.7 LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTVES FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
SMME Support and Development	To promote entrepreneurship and access to markets	By developing a data base of all SMMEs and Co-operatives and develop and implement SMME/co-operative Strategy	1 Flea Market hosted	Implementation of SMME/Cooperatives Strategy(Hostone Flea market)	-	1.Photos 2.Attendance registers	Flea market was hosted on the 08/10/2015 at Ngqeleni	Achieved	-	-
			Number of LED Fora held	Holding 4 LED Fora	-	1.Photos 2.Attendance registers	4 LED Forums were held on 22 September 2015, 02 December 2015, 15 March 2016 and 14 June 2016	Achieved	-	-
		Capacity building and skills development	No of SMME's and Co-operatives capacity	60 SMME's to be capacitated by providing trainings.	-	1.Photos 2.Attendance registers	83 SMMEs were provided with capacity and skills on Financial Management	Achieved	-	-
		By creating strategic partnership with institutions of higher learning and funding institutions	No of monitoring reports compiled	Monitor one implementation of MOUs	-	Final report on implementation of MoU's	Implementation of MOU'S has been monitored and final report on implementation has been produced	Achieved	-	-
			Report on research of Nyandeni study	Through MOU with universities municipality request	Facilitate research on history of Nyandeni	Copy of concept document	The university(WSU) was engaged for the research and the concept	Achieved	-	-

				students to conduct study about the History of Nyandeni	with WSU		document was developed			
SMME Support and Development	To promote entrepreneurship and access to markets	Development of Sector Strategy for Retail &hawker business case	Retail Sector Strategy developed	Development of Sector Strategy for Retail	Development of a Retail Sector Strategy	Draft retail sector strategy	Retail Sector strategy has been developed	Achieved	-	-
Mining	To explore the potential of clay mining for development	Implementation of Malungeni Clay Study	Geo-tech study document	Completion and analysis of Geo-tech studies	Completion of the Geo-tech studies	Geo-tech study document	The Geo - Tech study for Malungeni clay has been conducted and completed	Achieved	-	-
LOCAL DEVELOPMENT	To support and promote development of agricultural initiatives	Promoting dairy farming initiatives	Completed fencing of the dairy yard	Finalize the feasibility study	Complete fencing of the dairy yard	Photos of Fenced site and copies of employment contracts	The target was revised and 80% of the land has been fenced	Deviated	Time constraints	To complete fencing in the first quarter of the next FY
		By assisting Farmers through crop production	Number of bags of LAN purchased to support farmers	Purchase 5000 bags on LAN to support farmers through DRDAR's planned 2500 hectares	-	Copy report and photos	5000 x 50kg of LAN were purchased and delivered as support to farmers who contributed R1800 per hectare	Achieved	-	-
		By promoting small scale farming	Number of small scale farming projects supported	10 projects supported (Crop, poultry, piggery, SMME and Tourism projects)	-	Copy report and photos	Visited and selected projects were given the inputs amounted R30 000 per project	Achieved	-	-

		Promoting farmer access to markets	Number of agricultural shows conducted	Hostone agricultural show	-	1. Attendance register 2. Photos	The Agricultural show was hosted on the 08-09 June 2016 at Nggeleni	Achieved	-	-
		By developing feasibility study on essential oil	One hector piloted on essential oils	Conduct trials on essential oils at Malungeni (1ha)	-	Copy of progress report	Essential Oils trials are currently being conducted at Malungeni	Achieved	-	-
AGRICULTURAL DEVELOPMENT	To support and promote development of agricultural initiatives	By Developing Forest Development Plan.	Draft Business Plan developed.	Develop Business Plan for the identified projects	Develop ment of business plan for fruit trees	copy of the final drat business plan	Business plan for fruit trees has been developed	Achieved	-	-
Tourism Development	To Promote and develop Nyandeni as a Tourism Destination of choice	By Promoting health, safety and security during December and Easter Holidays	Number of life guards recruited and trained and Number of beaches placed into	34 Life guards recruited, trained, equipped and placed in 6 beaches.	-	Copy appointment contracts and attendencae registers	Lifeguards were appointed and placed on all beaches	Achieved	-	-
	To facilitate tourism education & awareness programmes to Local communities.	By conducting public debate on Tourism	Number of conducted public debate on Tourism	To hostone Dialogue on Tourism Learners debate	-	Concept Document on the debate	Learners debate was hosted on 29 September 2015 in Libode and 8 schools participated	Achieved	-	-

	To promote safety and security of tourists	By holding Tourism Safety and security awareness campaigns	Number of inland tourism awareness campaigns conducted	To organise one inland tourism awareness campaign	-	Attendance register	Tourism Awareness campaign was held on the 10 December 2015 at Hluleka	Achieved	-	-
	To expand Tourism products and operations through marketing and branding in partnership with LTO	By showcasing tourism products at the Tourism Indaba	By showcasing number tourism products at the Tourism Indaba	Marketing/s howcasing of Nyandeni tourism products in the Tourism Indaba once	-	Attendance register to Tourism Indaba	Tourism Products were showcased at the Tourism Indaba that was held on the 07-09 May 2016	Achieved	-	-
		Branding, marketing and signage	Number of Branding, marketing and signage	Install 4 additional signage for inland and coastal areas	Install 4 additional signage for inland	Photos of new signage	8 Signage posts have been installed	Achieved	-	-
		Marketing and promotion of tourism in partnership with LTO	Marketing and promotion of tourism in partnership with LTO	Revival of S.S. Mendiherita ge site	Refurbishment of S.S. Mendi heritage site	Photos illustrating site before and after revival	Fencing and landscaping of SS MENDI was done	Achieved	-	-
	To promote Visual Arts; craft and Heritage development	By showcasing Tourism products on Exhibition shows	By showcasing Tourism products on Exhibition shows	Showcasin g local art and craft products in Grahamstown festival	-	Report and exhibition photos	Local art and craft products were showcased at the Grahamstown Arts Festival on the 03-13 July 2015	Achieved	-	-

T3.11.8 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT

T3.11.9 FINANCIAL PERFORMANCE: 2015/16: LOCAL ECONOMIC DEVELOPMENT

Employees: Local Economic Development Services:T3.11.8					
JOB LEVEL	EMPLOYEE No FOR 2015/16	POSTS NO.	EMPLOYEE	VACANCIES	VACANCIES AS %
7	3	2	2	0	0%
11	2	3	2	1	33,3%
16	1	1	1	0	0%
Total	6	6	6	1	0%

T3.11.8 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT

T3.11.9 FINANCIAL PERFORMANCE: 2015/16: LOCAL ECONOMIC DEVELOPMENT

Financial Performance Year 0: Local Economic Development Services					
R'000					
Details	2015	2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	37	37	105	184%
Expenditure:					
Employees	-	8 603	7 603	6 620	-23%
Repairs and Maintenance	-	-	-	-	
Other	-	8 272	7 942	5 512	-33%
Total Operational Expenditure	-	16 875	15 545	12 132	-28%
Net Operational Expenditure	-	16 838	15 508	12 027	-29%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.11.9

T3.11.10 CAPITAL EXPENDITURE: 2015/16: LOCAL ECONOMIC DEVELOPMENT (NONE)

T3.11.11 COMMENTS ON LOCAL ECONOMIC DEVELOPMENT

Challenges regarding LED strategy implementation

The implementation of Local Economic Development is hampered by a number of challenges. Some of these are:-

- Land Tenure System – The issue here is that the majority of the land is communal and there are very long processes that need to be followed in accessing it.
- Some pockets of land are under claim

- No clear clarity on restitution processes – communities who were compensated still claim to have authority/ownership to restored/ compensated land
- Under development of some of key Economic Sector that were identified e.g. Agriculture and Tourism.
- Lack of Bulk infrastructure e.g. roads leading to Economic potential areas.
- Degradation of land due to soil erosion. A land care program is required as a solution to this issue.
- Agriculture is mainly dominated by subsistence farming and serves as food security and there are no massive commercial farming practices.
- Access to funding is another challenge. There are limited financial resources to pursue Local Economic opportunities.
- Fencing of arable and grazing lands pose another challenge.
- Lack of community commitments when received assistance, for an example of maize planting.
- Difficulty in attracting potential investors to develop the land.
- Lack of necessary skills to pursue economic development.

Proposed solutions

In trying to address these challenges the following are proposed solutions:-

- The process to release land for development should be speeded up. Chiefs and headmen should be given enough capacity to deal with issues of land development.
- MIG funding should be used to such an extent that priority is given to roads leading to Local Economic Development projects and Tourist attraction areas.
- Environmental awareness programs should be conducted on a continuous basis.
- Facilitate skills development to ensure meaningful participation and involvement in the socio-economic development of the area.
- Mobilize resources for the implementation of priority projects and programmes.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes the following as applicable to the Municipality: libraries; cemeteries, pounds, child care and social programmes,

3.12 LIBRARY INFORMATION SERVICES

T3.12.1 INTRODUCTION TO LIBRARY INFORMATION SERVICES

Currently, there are two main libraries located in both towns and they are both under construction by DSRAC. We have four modular libraries; Ntsundwane Public Library (Ward 20), Lwandile Public Library (Ward 25), Mqwangqweni Public Library (Ward 14) and Marhubeni Public Library (Ward 04). Council has resolved and approved that each financial year we will assist two school libraries with library material. Currently we have supported seven (7) schools with library material. We are signing MOU with DISRAC every financial year and they support us with R 400, 000. 00 to be used for library daily operations.

SERVICE STATISTICS FOR LIBRARIES: T3.12.2

Library Centre	Book Usage	Number of visitors
Ntsundwane (container)	657 10 borrowed	395
Ngqeleni (Closed due to renovations)	N/A	N/A
Libode (moved due to designs for construction)	n/a	N/A

T3.12.3 LIBRARY INFORMATION SERVICES POLICY OBJECTIVES AS TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Library & Information Services	To provide library infrastructure	To facilitate the construction of Libode Library by 2016	Attendance of Project steering committee meeting for the construction of library	Participate in project steering Committee for Construction of Libode Library by DSRAC	-	1.Minutes of PSC meeting 2.Attendance registers	PSC Meeting held on the 11 August 2015 in King Williams Town	Deviated	Contractor not appointed yet by DSRAC & DRPW	PSC Meetings will resume when the contractor is appointed
		To facilitate the provision of modular libraries to remote rural areas by 2016	Number of modular container libraries handed over	Monitoring of one modular Library rollout by DSRAC	-	Report of the modular library	Modular Libraries were delivered at Lwandile JSS, Ward 25; Nqeketo JSS, Ward 14 and Victor Poto SSS, Ward 04 but they are not operating yet. 2. Request for electrification of the modular libraries to Technical Dept was done.	Achieved	-	-

		Coordinate and celebrate Library Activities	Number of library activities Organized	Coordinate four library activities	-	Attendance registers and Concept Documents	District Literacy & National Book Week held on the 04 Sept 2015, Ngquza Hill LM. Provincial Literacy & National Book Week held in King Williams Town on the 11 Sept 2015. 2. Holiday Program held on the 29 Jan 2016 at Nonesi JSS. 3. District Library Week held on the 25 Feb 2016 at KSD LM. Provincial Library Week held on the 17 - 20 March 2016 in East London. 4. District World Book Day held on the 25 May 2016 at PSJ LM	Achieved	-	-
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Library & Information Services	To provide library infrastructure	Provide support to school / community libraries	Number of school/community libraries assisted	Assist02 School/ community Libraries	Assist07 existing School/ Community Libraries	Reports, Invoice and Delivery Note	40 study desks purchased and delivered to school / community libraries.	Achieved	-	-
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T3.12.4

Employees: Libraries:T3.12.4					
JOB LEVEL	EMPLOYEE No FY 15/16	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
7	1	1	1	0	0
10	0	1	1	0	0
Total	1	2	2	0	0

T3.12.5 FINANCIAL PERFORMANCE: 2015/16: LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES; OTHER

Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2 585	6 990	6 990	3 682	-47%
Expenditure:					
Employees	21 382	27 277	27 277	28 883	6%
Repairs and Maintenance	1	162	162	41	-75%
Other	7 113	6 645	7 674	5 781	-13%
Total Operational Expenditure	28 496	34 084	35 113	34 705	2%
Net Operational Expenditure	25 911	27 094	28 123	31 023	15%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.12.5

T3.12.6 CAPITAL EXPENDITURE: 2015/16: LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES; OTHER (NONE)

Capital Expenditure Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other					R' 000
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	1 935 276	1 935 276	754 665	-61%	
Specialised Vehicle	1 500 000	1 500 000	696 000	-54%	696 000.00
Landfill site	235 276	235 276	-	-100%	-
Policing equipment	200 000	200 000	58 665	-71%	58 665.00
Project D	-	-	-		-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.12.6

3.13 CEMETORIES AND CREMATORIUMS

T3.13.1 INTRODUCTION TO CEMETORIES AND CREMATORIUMS

Nyandeni Local Municipality has reserved land for burial of people that reside in its area of jurisdiction in both Towns Nggeleni and Libode. Installation of grave tags is ongoing in both Towns. The municipality is beautifying its cemeteries and paving of sidewalks is complete in our cemeteries. We are updating our grave register continuously and developed Guidelines for pauper burials. Renovations completed and cleaning of Cemeteries is an ongoing process.

T3.13.3 CEMETERIES AND POLICY OBJECTIVES TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Environmental Management	To maintain a safe and healthy environment	Maintain cemeteries throughout the year	Conducted survey by set date	Customer satisfactory survey through rate payers	Conduct Customer satisfactory survey through rate payers on upgraded cemeteries	Report of the survey	1. Survey has been conducted	Achieved	-	-
			Installed grave tags by set date		Install grave tags on needs basis	Burial register and photo, delivery note of grave tags	2. Burial register is continuously updated	Achieved	-	-

Employees: Pound & Cemeteries:T3.13.4					
Job Level (Task Grades)		Year 0 : 2015/16			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
0-3	3	4	4	0	0
4-6					
7-9	1	1	1	0	0
Total	4	5	5	0	0

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

T3.14.1 INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Nyandeni Local Municipality allocated a budget of R1, 600 000.00 for the building of two pre-schools in 2015/16. Multiple spheres of social cluster Departments have all a role to play in special programmes such as Department of Social Development for example also funds early childhood development including nutrition and running of the early childhood development centers. Joint Aid Management South Africa is an NGO that offer nutrition programmers in our Early Childhood development Centres. The Department of Education is also responsible for the pre-schools within their school premises. There are two Community Services Officers who are responsible for Early Child Development, the function is performed through Community Services Department.

A CHILD CARE

The Municipality is only responsible for the provisioning of infrastructure for early childhood development. The Municipality used to construct pre-schools through a partnership with ECATU but now ECATU has been amalgamated with DRDAR and now the municipality has started to construct the ECDCs internally sourcing labour from the benefiting communities. Currently we have constructed twelve Early Childhood development centers.

T3.14.3: CHILDCARE, AGED CARE AND SOCIAL PROGRAMMES POLICY OBJECTIVES TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/P ROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Early Childhood & Development and Literacy	To provide Early Childhood Development Infrastructure	Construction of the Early Childhood Development Centres	Number of ECDC constructed	Construction of Two Early Childhood Development Centres	-	Close-up report	Two Early Childhood Development Centres constructed	Achieved	-	-

B. AGED CARE & SOCIAL PROGRAMMES (COVERED WITH SPU)

FOCUS AREA/PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Special programmes	To contribute to national development priorities on designated groups (Women, Youth, Disabled, Children and elderly	Mainstreaming of programmes at all levels	Supported Back to school children report	Support Ematoleni children's first program as per assessment (4 schools)	Support Back to school campaign as per assessment report	Attendance registers and progress reports	Nothing was done	Deviated	-	-
			Number of elderly supported with gifts and games	50 elderly supported	50 elderly supported (gifts and games)	Attendance registers and progress reports	1. Supported elderly to participating in the local, district, and provincial games and participate in the national golden games. 2. Provided elders with forty (40) blankets on 23 December 2015. 3. Provided elders with seventy cups on 22 December 2015.		-	-
			Number of women programmes supported	Support to women programs at least 2 projects	-	Attendance registers and progress reports on projects supported	Hosted the Nyandeni women's month at Ngqeleni on 15 August 2015 2. Provided sewing material and beads material for ward 15 and ward 8 women projects	Achieved	-	-

							3. Hosted 16 days of activism against women abuse on 11 December 2015			
			Number of youth programmes supported;	Support to two youth programmes	-	Attendance registers and progress reports on projects supported	Conducted youth Council induction. 2. Provided support to Ntlaza rugby youth tournament held on 16 June 2016. 3. Procured T.shirt printing machine for youth project.	Achieved	-	-
Special programmes	To contribute to national development priorities on designated groups (Women, Youth, Disabled, Children and elderly	Mainstreaming of programmes at all levels	Report on hosted Miss Nyandeni	Hosting of Miss Nyandeni	-	Register of participants	Not done	Deviated	Aligned with Miss OR Tambo	To host Miss Nyandeni in align with Miss OR Tambo
			Number of disabled programmes supported and two identified business plans	Support at least 3 disabled programmes	Support at least 1 disabled programme and identify two for assistance with business plan	Report on support provided to disabled and copies of 2 business plans developed	1. Supported one project with two sewing machines at ward 29. 2, supported three disabled people with three wheel chairs from O.R. Tambo DM	Achieved	-	-

C. COMPONENT E: ENVIRONMENTAL PROTECTION

The Municipality planted indigenous trees in schools, municipal hall in order to curb issues of pollution emissions and conserving biodiversity. Routine inspection on illegal dumping conducted to curb an environment that would be harmful to health and well-being of community citizens. This includes the following:

3.15: POLLUTION CONTROL

This component includes: clinics; ambulance services; and health inspections The Municipality only facilitates and/ or coordinates health matters arising through its social needs cluster. Environmental Health Services are provided by the District Municipality through Environmental Health Practitioners. The Municipality respond to issues of environmental protection e.g. sewerage spills and liaise with District and the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) for compliance. The Department of Community Services in conjunction with Municipal Law Enforcement Department conduct joint operation relating to waste management related issues.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

T3.20 POLICE

The Municipality does not have Municipal Police but Traffic Officers, Examiners and Law Enforcement Officers. The personnel mentioned perform the same functions as in 3.8 Transport report above. Security services are provided internally for safeguarding of all Municipal assets. Duties of Traffic Officers is to enforce National Road Traffic Act within the Jurisdiction of Nyandeni Local Municipality and attend to incidents and accidents within Nyandeni. Law enforcement Officers Enforce Municipal By-Laws within the jurisdiction of Nyandeni L.M.

Traffic Law Enforcement Statistics

Speed Limit=99	Smooth Tyre=72	Safety Belt=35	W/O PRDP=192
W/O D/L=40	Driving with L/L=09	Overload=80	Barrier line=17
Inadequate Parking brakes= 35	Inadequate warning device=06	Hindering passage of traffic=16	Fail to licence M/V=10
Number plate not affixed=15	On phone while driving=02	Hindering passage=22	Facing oncoming traffic=05
Not complying with stop sign=12	Double packing=0	Making U-turn=0	Defective Indicator=06
Inadequate parking brake=09	Comply with Road Traffic Sign=04	Facing on-coming Traffic=05	L/L for reward=06

Drivers operating MV without driving licenses=05	Warrant of Arrest executed=35		
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W/O/D/L: without drivers' license; W/O PRDP-without professional drivers' permit
L/L-Learners' License; M/V-motor vehicle license

Statistics of Road Accidents by town:

TOWN	ROAD	FATALITIES	JULY 2015	AUGUST 2015	SEPTEMBER 2015	OCTOBER 2015	NOVEMBER 2015	DECEMBER 2015	JANUARY 2016	FEBRUARY 2016	MARCH 2016	APRIL 2016	MAY 2016	JUNE 2016	TOTAL
Libode	R61	None	03	08	02	07	04	02	02	04	06	02	05	05	50
Libode	N2	03	05	03	04	04	03	03	None	00	02	None	02	02	31
Ngqeleni	T30	None	02	00	00	05	02	03	04	03	00	04	03	01	27
Ngqeleni	R61	None	03	02	00	None	02	None	None	None	00	04	None	00	11
TOTAL		03	13	13	6	16	11	8	6	7	8	10	10	8	119

In Summary there were 119 accidents, of those there were 3 fatalities.

T3.21.1 INTRODUCTION TO FIRE SERVICES

Fire service is a competency of the OR Tambo District Municipality.

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCE AND OTHER)

T3.22.1 DISASTER MANAGEMENT

Disaster management is a competency of the OR Tambo District Municipality.

DISASTER MANAGEMENT

3.22 INTRODUCTION

The Disaster Management Act No. 57 of 2002 requires each local municipality to prepare a Disaster Management Plan for its area according to the circumstances prevailing in the area; to coordinate and align the implementation of its Plan with those of other organs of state and institutional role-players; and to regularly review and update its Plan. The legal requirements related to Disaster management are further elaborated in the O.R. Tambo District Disaster Management Plan.

Although Local Municipalities are not legislatively required to have specific Disaster Management coordinating structures, it is unlikely that a Nyandeni Municipality would be able to effectively conduct a participative Disaster Management planning process in the absence of some or other Disaster Management coordinating structure within the Nyandeni Municipality. It is recommended that Nyandeni Municipality should at least have an internal Disaster Management coordinating body such as an Inter-Departmental Disaster Management Committee. The additional establishment of an advisory forum is strongly recommended to co-ordinate Disaster Management policy within the Nyandeni Municipality and enable stakeholder involvement in Disaster Management matters.

Emergencies and disasters respect no boundaries and can destroy life and property suddenly and without warning. The South African government has recognised the need to prepare for and to reduce the risk of disasters and has made provision for such measures through the three spheres of government in partnership with the private sector and civil society.

The Nyandeni Municipality is not immune to emergencies and disasters and annually suffers the impact of various human-induced and natural

hazards that have the potential to kill, injure, destroy and disrupt.

The Nyandeni Municipality developed its Disaster Management Plan. The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the Nyandeni Municipality, the creation and maintenance of resilient communities within the Nyandeni Municipality and an integrated, fast and efficient response to emergencies and disasters by all role-players.

The overall objective of this document is to define and describe the essential elements and procedures for preventing and mitigating major incidents or disasters, but also to ensure rapid and effective response and aspect specific contingency planning in case of a major incident or disaster that will:

- Save lives;
- Reduce risk exposure;
- Reduce suffering;
- Protect property;
- Protect the environment;
- Reduce economic and social losses; and
- Provide for the safety and health of all responders.

T3.22.3 FIRE SERVICE/DISASTER OBJECTIVES TAKEN FROM IDP 2015/2016

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Disaster Management	To ensure effective disaster risk management	To ensure effective response to disaster victims	Response material provided on disaster incidents	Provision of response material on disaster incidents	-	Assessment and response report indicating material provided	Assessment was conducted and response material provided	Achieved	-	-
		By conducting community awareness campaigns in all wards	Number of community awareness campaigns	Conduct 384 community awareness campaigns in all wards	-	1.Attendance register 2.Photos	Only 257 community awareness campaigns were conducted	Deviated	This was due to decrease in the number of Volunteers by the District Municipality	The district municipality will review the target during 2016/2017
		By conducting capacity building workshops (CERT volunteers)	Number of capacity building workshops conducted	4 Capacity building and empowerment of volunteers	-	1.Attendance register 2.Report	3 Capacity buildings and empowerment of Volunteers were conducted	Deviated	This was due to decrease in the number of Volunteers by the District Municipality	The district municipality will review the target during 2016/2017
	To ensure effective disaster risk management	By conducting Local advisory forum	Number of information sharing sessions held	4 Information sharing sessions held	-	1.Attendance register 2.Report	4 Local Advisory fora were held	Achieved	-	-
		By development of Nyandeni disaster risk management plan	Final Nyandeni Disaster Risk Management Plan implemented	Implementation of the disaster plan Through conducting awareness campaigns	-	1.Attendance register 2.Report	As part of implementation of Disaster Risk Management Plan, community awareness campaigns were conducted to two disaster prone areas, being Zibungu on the 04th of May and Mampondomiseni on the 11 May 2016	Achieved	-	-

ANIMAL LICENSING AND CONTROL (POUND MANAGEMENT)

Nyandeni Local Municipality has two pounds; one in each town in order to increase public safety by controlling stray animals. The Municipality has appointed two (2) pound rangers for both town (1 Libode and 1 Ngqeleni). As a Municipality we have a service level agreement with a Service Provider for Auctioning of Impounded Animals not collected over 03 months.

POUND MANAGEMENT OBJECTIVES AS TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/PRO JECT TITLE	KEY PERFORMAN CE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Environmental Management	To maintain a safe and healthy environment	Strengthen Pound Management by 2016	1.Facilitation of construction of boundary wall fencing in 2 towns	Boundary wall fencing for Ngqeleni and Libode Pounds	Facilitate Construction of boundary wall fencing for Ngqeleni and Libode Pounds	Report and attendance register for bound wall fencing for libode & Ngqeleni	1. MIG funding have been approved for the construction of boundary wall fencing.	Deviated	Project was approved in the MIG fund however there was insufficient funds as there were projects from previous financial year to process.	The project will be done in the next financial year (2016/17)
			2.Constructed Kraal for 2 towns		Construction of two (2) Kraals for Libode and Ngqeleni	Copy of the close out report on construction of kraals in libode and Ngqeleni	2.Libode and Ngqeleni kraals constructed	Achieved	-	-

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

3.23 SPORT AND RECREATION POLICY OBJECTIVES AS TAKEN FROM THE IDP: T3.23.2

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIV E MEASURE
Special programmes	To contribute to national development priorities on designated groups (Women, Youth, Disabled, Children and elderly)	Mainstreaming of programmes at all levels	Number of elderly supported with gifts and games	50 elderly supported	50 elderly supported (gifts and games)	Attendance registers and progress reports	1. Supported elderly to participating in the local, district, and provincial games and participate in the national golden games. 2. Provided elders with seventy cups on 22 December 2015.	Achieved	-	-
			Participation at SALGA Games	Participate in SALGA Games	-	Register of team participated in the SALGA games	SALGA Mayoral cup was conducted in July 2015 and the district SALGA games were conducted in November 2015. SALGA provincial games were conducted on 03-6 December 2015	Achieved	-	-
			Hosted Marathon	Host Marathon	-	Register of participants	Marathon was hosted on the 21 March 2016 in Nggeleni	Achieved	-	-
			Hosted Racing	Horse Racing	-	Register of participants	Horse was hosted on the 19 December 2015 in Mhlanganisweni horse raising field	Achieved	-	-

Sport and recreation is a function located under Special Programmes Unit. The same personnel in the Special Programmes Unit do the work.

Employees: Childcare, Aged Care, Social Programme:T3.23.3					
	JOB LEVEL	EMPLOYEE NO. 2015/16	POSTS NO.	VACANCY NO.	Vacancies (as a % of total posts)
4-6					
7-9	1	1	1	0	0
10-12	1	1	1	0	0
13-15					
16-18					
19-20					
TOTAL	2	2	2	0	0

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

T3.24: INTRODUCTION TO CORPORATE POLICY OFFICES

This component covers support functions in the institution in relation to service delivery and includes the following areas: Corporate Policy office, Financial Services, Human Resource Services, ICT services and property Services. The Municipality has a fully-fledged Budget and Treasury Office, Corporate Services Department. There is an ICT unit within Corporate Services. However, an improvement of ICT within the institution is necessary in areas such as website maintenance, disaster recovery, etc.

3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (Mayor; Councillors; and Municipal manager).

T3.24.1: INTRODUCTION TO EXECUTIVE AND COUNCIL

The Municipality has political stability which enables Council to oversight through its section 79 and 80 committees. The Municipality has efficient municipal planning in that the following: development of a credible Integrated Development Plan, adopted oversight and approved policies relevant to ensure service delivery.

T3.69.2: SERVICE STATISTICS FOR EXECUTIVE AND COUNCIL

T3.24.3 EXECUTIVE AND COUNCIL POLICY AS TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Public participation	To ensure effective public participation in processes of decision making	Conduct civic education	Number of awareness programmes conducted on Civic Education for local communities	8 awareness programmes conducted in local communities	-	1. Attendance registers 2. Quarterly report on awareness programme conducted	Eighty civic educations have been conducted in the following clusters: 2,7,5,3 ward 10,12, 30 and ward 7	Achieved	-	-
		Complaints and Petitions Management	Number of quarterly update reports/register on status of Petition Management submitted to Council.	4 Quarterly update reports/register on status of petitions received and submitted to Council	Update progress on petition register and submit to council quarterly.	1. Updated petitions register and 2. Report submitted to council	Petition register has been updated and submitted to Council quarterly	Achieved	-	-
Public participation	To ensure effective public participation in processes of decision making	Strengthen and build capacity of ward committee system	Number of trainings conducted to Ward Committees and number of meetings conducted	Attend four sittings of ward committee meetings per quarter in compliance with back to basics and training of ward committees	-	1. Report on ward committee meeting 2. Attendance registers. 3. Number of trained ward committees	The ward committee meetings were conducted at the following wards: 15,14,29,27,5,9, 13,21, 10,11, 23, 12, & 3, 19,4,	Achieved	-	-

							16, and ward 7			
		Co-ordinate Mayoral Imbizo's and Budget Public Hearings in 31 wards annually	Imbizo's and Number of IDP & Budget Public hearings	Conduct 2 Mayoral Imbizo's and 1 IDP & Budget public hearing	-	1. Attendance register of the meeting. 2. Minutes of the meeting	1. The Mayoral Imbizo was conducted on 10-15 November 2015 and 29 March 2016 to all seven clusters 2. The IDP public hearings were conducted on 11-20 April 2016	Achieved	-	-
Municipal Planning	To provide effective municipal planning	Develop IDP and Budget planning processes appropriate to the municipality annually	Approval of IDP & budget process plan for 2016/17 by council	Conduct annual IDP & Budget process plan and related policies for 2016/2017 to be approved by Council	-	Council resolution.	The IDP was developed and submitted to ordinary Council meeting of 31 May 2016.	Achieved	-	-
			Developed and Approved Ward	Development and adoption of	-	Council resolution and	Ward base plans have	Achieved	-	-

			Base Plans by Council	ward base plans by council		copy of ward base plans	been compiled.			
			Number of back to basic report submitted	Submit twelve(12) monthly reports to COGTA	-	1.Copy of 12 reports submitted to COGTA	12 Back to basics reports have been compiled and submitted to COGTA	Achieved	-	-
Municipal Planning			Approved terms of reference for Nyandeni development plan (vision 2030) by Council	Compilation of Nyandeni development plan (phase one) 2030 vision	Compilation of terms of reference for Nyandeni Master plan and submit to council for approval	1.Council resolution on Terms of reference of the master plan	1. The terms of reference for the development of long term plan have been developed and submitted to Council. 2 Secured Council resolution to enter into partnership with ECSSEC for the development of master term plan	Achieved	-	-
Intergovernmental Relations	To ensure meaningful participation and	Improve communication and	Number of IGR Forum Meetings	Convene 4 IGR Forums	-	1. Minutes of 4 IGR Meeting 2. 4 (Four)	1. Three political IGR meeting were	Achieved	-	-

	n by all spheres of government	collaboration across the spheres of government				Attendance registers of Nyandeni LM IGR and IDP rep forums	held on the following dates: 28 September 2015, 06 November 2015(briefing session on Mayoral Imbizos), 28 June 2016 2. Convened IGR bilateral meeting with ECSSEC, OR Tambo, DEDEAT and DRDAR on 06 April 2016			
Intergovernmental Relations	To ensure meaningful participation by all spheres of government	Formalise Relations with the District Municipality on DM functions performed at the local municipality (Disaster, Water and Sanitation, Housing,	number of working agreements signed with District Municipality	Sign 2 working agreements with the District Municipality on water, sanitation and disaster management	-	Copy of 2 (two) signed working agreements	The working agreements have been developed.	Achieved	-	-

		Environmental Health) & other service								
		To foster collaboration with Traditional Authorities	Approved Policy on Traditional Leaders	Review policy on traditional leaders for council to approve	-	Council resolution.	The policy has been reviewed	Achieved	-	-
Legal Services	To improve management and administration of legal matters	Develop mechanism to fast-track finalization of pending litigations	Signed litigation register	Updating of the litigation register	-	Signed quarterly litigation register	The litigation register has been updated.	Achieved	-	-
By-laws	To fast-track services delivery through the development and review of effective by-laws	Develop new by-laws	Conducted needs assessment for gazetting By-Laws	Assist departments to develop at least two Bylaws	Conduct need assessment for the development of new By-laws in each quarter and develop the By-laws as per the need	Need analysis report	1. The need assessment for the development of new By-laws has been conducted. 2. The following new by-laws have been developed: :Parks and recreation By-law, review of the	Achieved	-	-

							undeveloped sites by-law, advertising signs by-law and rates bylaw			
By-laws	To maximise administrative and operational efficiency through the use of the systems of delegation	Review of the delegation register	signed register of delegation between the AO and SM and between AO and Mayor representing Council	Review and adopt council delegation register in line with legislation	-	Council resolution.	Delegation register was reviewed on the 23-27 November 2015	Achieved	-	-
Communication	To provide accurate, timely and reliable information to citizens	Develop an effective communication system and procedure manual aligned to the National Framework	Adopted Communication strategy and Communication Policy	Review of the communication policy and strategy for adoption by Council	-	1. Council resolution 2. Copies of reviewed communication policy 3. Copies of reviewed communication Strategy	The communication strategy has been reviewed and submitted to Council.	Achieved	-	-
			Number of Communicators Forum meetings conducted	Convene 4 Communicators Forum Meetings	-	1. Minutes of the meeting 2. Attendance Register	Four Communicators forum meetings convened as follows: 28 September	Achieved	-	-

							2015, 11 December 2015, 03 March 2016 and 02 June 2016			
		Direct communication of information to the public	Number of newsletter editions, media releases,	(a) 4 newsletters developed and released. (b) 12 Notices	3 newsletters developed and released.	Copy of 3 newsletter Issued	Three newsletters have been compiled and issued.	Achieved	-	-
Communication	To provide accurate, timely and reliable information to citizens		notices, publications	(c) 3 publications issued	Issue 12 Notices	Copy of 12 notices issued	12 Notices have been issued.	Achieved	-	-
					3 publications issued	Copy of 3 publication issued	Four publications have been issued.	Achieved	-	-
Internal audit	To monitor internal controls and provide advice to management and council	Perform audits as per risk-based internal audit plan to ensure compliance with relevant legislations and to ensure internal	Approved annual audit committee charter, annual internal audit charter and annual internal audit plan	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan and report submitted to Audit committee to be approved by Council	-	1. Approved annual audit committee charter, 2. Annual internal audit charter 3. Annual internal audit plan	Internal audit charter, audit committee charter and internal audit plan have developed and approved on the 2nd of July 2015	Achieved	-	-

		controls are in place.	Number of reports of the Internal Audit Unit submitted	Carry out 10 audit projects	-	1. Copies of the 10 audit reports 2.Minutes of the 10 audit committee meetings.	The following audits have been conducted: 1.Asset management audit (prior year audit), 2, Q4 performance audit, 3. Review of annual financial statements 4. Fleet Management audit 5. 5, Follow up on debtor's management audit, 6.Quater 1 performance audit, 7. IT audit 8.Quarter 1 AG dashboard report 9. Midterm performance audit.	Achieved	-	-
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							10, SCM audit 11 Q3 performance audit			
Internal audit	To monitor internal controls and provide advice to manageme nt and council	Unit to track and monitor implementatio n of management audit action plan	Number of audit committee meetings held	Convene 4 Audit Committee Meetings	-	1. Minutes of 4 Audit meetings held 2. 4 (Four) Attendance Register	Four audit committee meetings were held on the following dates: 02 July 2015, 25 August 2015, 21 October 2015, 10 February 2016, 14 and 15 June 2016	Achieved	-	-
			Status report on the progress on implementation of the Audit action plan	Conduct audit on the implementation of Audit Action Plan for 14/15	-	Progress reports on the implementation of the Audit Action Plan for 14/15	Progress report on AG Audit action plan has been compiled.	Achieved	-	-
Council Affairs	To ensure efficient and effective council support	Timely and accurate recording of Council Decisions	Number of resolution booklets distributed	Distribution of two(2) quarterly council resolutions booklets	-	2 (Two) Copies of booklets distributed	Two Council resolution booklets have been compiled and distributed	Achieved	-	-
			Number of Ordinary, Standing Committee,	Co-ordinate 4 Ordinary Council	-	1. Minutes of 4 meeting 2. 4(Four)	1. Four ordinary Council meetings	Achieved	-	-

			Number of EXCO and Council Meetings as per Council calendar	meetings, 4 ordinary Exco meetings, 4 Standing Committee meetings		Attendance Registers	convened. 2. Five ordinary EXCO meetings convened 3. Standing committee meetings convened			
Council Affairs			Quarterly reports on verification of Councillors claims	Verify documents submitted by Councillors that have financial implications for the institution	-	Quarterly reports on verification of claims submitted by Councillors	Reports on verification of Councilors claims have been compiled and submitted to Council	Achieved	-	-
Council Affairs	To ensure efficient and effective council support	Improve ethics and morality in the municipality	Workshop on Explored mechanisms to institutionalize lifestyle audits	Conduct the life style audits for Councillors and employees.	Exploring mechanisms to institutionalize lifestyle audits	1. Minutes of the meeting 2. Attendance Register	Nothing was done	Deviated	Lack to resources to commence with the target	Target to be reviewed in the next Financial Year
Institutional PMS	To provide a tool for measuring achievement of predetermined objectives	Compilation of management report to Exco	Number of management reports submitted to Exco	Submit 4 management reports to Exco	-	4 (Four) Signed copies of management reports	Five management reports have been compiled and submitted to EXCO.	Achieved	-	-
		Compilation of MFMA, S52(d), S72,	Compiled and submitted to Council: MFMA, S52	Compilation and submission to Council the	-	Copies of reports and council resolution	Section MFMA 52(d) reports, Section 72	Achieved	-	-

		S121& MSA S46 reports	(d),S72,S121,S46 and MSA reports	MFMA, S52(d), S72, S121& MSA S46 reports			report Section 46 report and section 121 reports compiled and submitted to Council			
Special programm es	To contribute to national developme nt priorities on designated groups (Women,Yo uth,Disabl e, Children and elderly	Mainstreamin g of programms at all levels	Supported Back to school children report	Support Ematoleni children's first program as per assessment (4 schools)	Support Back to school campaign as per assessment report	Attendance registers and progress reports	Nothing was done	Deviated	-	-
Special programm es	To contribute to national developme nt priorities on designated groups (Women,Yo uth,Disabl e, Children	Mainstreamin g of programms at all levels	Number of elderly supported with gifts and games	50 elderly supported	50 elderly supported (gifts and games)	Attendance registers and progress reports	1. Supported elderlyto participating in the local, district, and provincial games and participate in the national golden games. 2. Provided		-	-

	and elderly						elders with forty (40) blankets on 23 December 2015. 3. Provided elders with seventy cups on 22 December 2015.			
			Number of women programmes supported	Support to women programs at least 2 projects	-	Attendance registers and progress reports on projects supported	1. Hosted the Nyandeni women's month at Ngqeleni on 15 August 2015 2. Provided sewing material and beads material for ward 15 and ward 8 women projects 3. Hosted 16 days of activism against women abuse on 11 December 2015	Achieved	-	-
Special programmes	To contribute to national development	Mainstreaming of programmes at all levels	Number of youth programmes supported;	Support to two youth programmes	-	Attendance registers and progress reports on projects	1. Conducted youth Council induction. 2. Provided	Achieved	-	-

	nt priorities on designated groups (Women, Youth, Disabled, Children and elderly					supported	support to Ntlaza rugby youth tournament held on 16 June 2016. 3. Procured T-shirt printing machine for youth project.			
Special programmes	To contribute to national development priorities on designated groups (Women, Youth, Disabled, Children and elderly	To promote all sporting codes within the municipality	Report on hosted Miss Nyandeni	Hosting of Miss Nyandeni	-	Register of participants	Not done	Deviated	Aligned with Miss OR Tambo	To host Miss Nyandeni in align with Miss OR Tambo
			Number of disabled programmes supported and two identified business plans	Support at least 3 disabled programmes	Support at least 1 disabled programme and identify two for assistance with business plan	Report on support provided to disabled and copies of 2 business plans developed	1. Supported one project with two sewing machines at ward 29. 2, supported three disabled people with three wheel chairs from O.R. Tambo DM	Achieved	-	-
		To promote	Participation at	Participate in	-	Register of team	SALGA Mayoral	Achieved	-	-

		all sporting codes within the municipality	SALGA Games	SALGA Games		participated in the SALGA games	cup was conducted in July 2015 and the district SALGA games were conducted in November 2015. SALGA provincial games were conducted on 03-6 December 2015			
			Hosted Marathon	Host Marathon	-	Register of participants	Marathon was hosted on the 21 March 2016 in Ngqeleni	Achieved	-	-
			Hosted Racing	Horse Racing	-	Register of participants	Horse was hosted on the 19 December 2015 in Mhlanganisweni horse raising field	Achieved	-	-

T3.24.5 6 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

Financial Performance Year 2016: The Executive and Council					
R'000					
Details	2015	2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	
Expenditure:					
Employees	34 132	37 715	36 035	35 699	-5%
Repairs and Maintenance	-	-	-		
Other	20 089	21 225	23 021	19 307	-9%
Total Operational Expenditure	54 221	58 940	59 056	55 006	-7%
Net Operational Expenditure	54 221	58 940	59 056	55 006	-7%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.24.5

T3.24.6 CAPITAL EXPENDITURE (EXECUTIVE AND COUNCIL)

Capital Expenditure Year 2016: The Executive and Council					
R' 000					
Capital Projects	2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 300	1 300	735 188		
Motor Vehicle	1 000	1 000	735 188	100%	735188
Container	300	300	-	-100%	0
Project C	-	-	-		0
Project D	-	-	-		0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.24.6

3. 25 FINANCIAL SERVICES

T3.25.1 INTRODUCTION TO FINANCIAL SERVICES

What we achieved?

- Prepared the Annual Financial Statements in-house
- Provided management responses and time bound action plans in response to internal and external queries
- Improved monitoring of supplier payments within the legislative timeframes

Preparation of annual financial statements

S 121 of the MFMA states that:

- (1) Every municipality and every municipal entity must for each year prepare the annual financial statements which
 - (a) Fairly present the state of affairs of the municipality or entity, its performance against its budget its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year; and
 - (b) Disclose the information required in terms of section 123, 124

S 126 of the MFMA states that

- (1) The accounting officer of a municipality-
 - (a) Must prepare the annual financial statements of the municipality and within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor General for auditing

Nyandeni Local Municipality prepared its annual financial statements, and submitted them to the Auditor general within the relevant timeframes

Management Responses to Audit Queries

The Auditor General issued the audit report with the matters of emphasis. After Auditor General has issued out the audit report, the audit action plan to address the issues raised by Auditor General was compiled. All the relevant parties participated in the monitoring of the audit action plan through the progress report that was normally prepared on a quarterly basis.

Monitoring of the Payment of Suppliers

The municipality introduced the payment cycle in its payment procedures, where it was resolved that the payments to the suppliers should be made twice a month i.e. on the 15th and 31st or last day of the month. This procedure has yielded some results as the fruitless expenditure was reduced in 2015/16

from 5 947 to R5 321. That means the most of the creditors were paid within the timeframes as per the legislation i.e. within 30 days.

T3. 25.2 Financial Services: Debt Recovery

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	5 689 785		5 263 603	5 689 786	108%	5 604 890	102%
Electricity - B							
Electricity - C							
Water - B							
Water - C							
Sanitation							
Refuse	188 415		202 976	188 415	93%	199 794	94%
Other							
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>							T 3.25.2

T3.25.3: FINANCIAL POLICY OBJECTIVES AS TAKEN FROM THE IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED /DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Revenue Management	To ensure effective Debtors management by June 2017	Perform Debtors data cleansing by June 2016	Updated Debtors Master File.	Debtors Information Update	-	Updated master file report from Promun, Data collection, completed forms and report on changes on Promun to update debtors accounts	Debtor's master file was updated with information from data cleansing as well as the deeds office.	Achieved	-	-
		Implementation of MPRA by June 2016	AppApproved Supplementary Valuation Roll	Approval of the supplementary roll by Council	-	1. Copy of Council resolution 2. Copy of Signed Supplementary Roll by the Valuer	Supplementary valuation roll has been completed and has been certified by the municipal valuer on 31 March 2016 and will be implemented in July 2016.	Achieved	-	-

Expenditure Management		Review of Financial Policies and by June 2016	AppApproved Credit Control and Debt Collection policy and by-laws	Review Credit Control and debt collection policy and by-laws for approval by Council	-	1. Copy of approved Credit Control and Debt Collection Policy 2. Council resolution	Credit control policy was reviewed and approved by the Council	Achieved	-	-
	To increase revenue by 20% By June 2017	Develop and implement Revenue enhancement strategy by June 2016	Approved & Reviewed Revenue Enhancement Strategy,	Review Revenue Enhancement Strategy for approval by Council	-	1. Copy of approved Revenue Enhancement Strategy 2. Council resolution	Revenue enhancement strategy was reviewed and approved by the Council	Achieved	-	-
		Increasing revenue collection by 6% by June 2016	Amount collected on revenue	To collect an amount of R11,024 million by June 2016	-	Copy of report on actual collection to the value of R 11 200 000 by June 2016	Actual revenue collected for the 2015/16 financial year is R13 284 067	Achieved	-	-

		Implementa tion of credit control and debt collection policy by June 2016	debt acknowledgeme nt forms	40 signed acknowd gement forms by debtors	-	Copy of 40 signed acknowledgement forms from debtors	A total of 67 acknowledgeme nt of debt forms were signed by debtors to acknowledge debts.	Achieved	-	-
	To ensure effective budget management by June 2017	Developme nt of realistic and credible Budget by June 2016	Approved budget for 2016/17 by Council	Council to approve 2016/17 annual budget	-	1. Council Resolution 2. Copy of email to PT & NT 3. Approved budget for 2016/17	1. Final Budget Approved in council on 31 May 2016 3. Final Budget Submitted on NT & PT	Achieved	-	-
		Adherence to budget reforms by June 2016	Budget Returns (Section 71, 52(d) Section 72, C- Schedule and B-Schedule and C-Schedule	Complian ce reports as per MFMA Calendar on budget returns	-	Signed Monthly Reports, Quarterly Reports, Annual Report and proof of submission to Council, PT and NT	1. Section 71 report submitted 2. Grants report on the 14th July 2016. 3. Creditors paid within 30 days on receipt of invoice amount of R 76 584 774.91 4. Salaries amount paid on the 25 June R 5 940 235.80	Achieved	-	-

							and Third parties amount of R 2 548 219.07			
Asset Management	To ensure proper management of municipal assets by June 2017	Review GRAP Asset Management Policy by June 2016	Approved Asset Management Policy by council	Conduct annual review of Fixed asset policy and table to Council for approval	-	1. Council Resolution 2.Signed Fixed Asset Policy	Fixed Asset Policy has been reviewed and approved by Council	Achieved	-	-
		Updating of GRAP Asset Register by June 2016	Updated GRAP compliant asset register	Updating of fixed asset register annually	-	Updated GRAP fixed asset register	Fixed Asset Register has been updated as at 30 June 2016	Achieved	-	-
		Acquisition and maintenance of municipal fleet by June 2016	Updated fleet management & maintenance Report	Update fleet and maintenance	-	Signed Quarterly Reports on Fleet Acquisition & Maintenance	Quarterly reports on fleet acquisition and maintenance signed	Achieved	-	-

Supply Chain Management	To ensure proper SCM procedures by June 2017	Ensure compliance of SCM policy that is in line with relevant legislation and regulations by June 2016	Approved Compliant SCM policy by Council	Review SCM policy annually and table to Council for approval	-	1. Copy of approved SCM Policy 2. Council resolution	SCM Policy submitted to Council for Approval on the 31 May 2016	Achieved	-	-
		Acquisition of goods and Services in compliance with Supply Chain Management Policy and regulations by 30th June 2016	Quarterly report on implementation of SCM Policy	Implementation of the SCM Policy on procurement processes	-	Annual report on implementation of SCM policy processes	Report on implementation of SCM processes completed and submitted to the CFO	Achieved	-	-
		Proper Contract Management by June 2016	Updated Annual Contract Register	Updated contract register annually	-	Updated contract register	Contract register has been updated as at 30 June 2016	Achieved	-	-

	To ensure compliance with the provisions MFMA and norms and standard of National treasury	Developme nt of AFS	Submitted Signed AFS 2015/16 by date to AG	Submissi on of signed AFS by 31 August 2015 to AG	-	Acknowledgement of receipt of AFS dated 31/08/2015	AFS for 2014- 2015 were submitted to AG on the 31/08/2015	Achieved	-	-
Financial Reporting		Annual Audit for 2015/16	Final AG Audit Report 2015/16	Unqualifi ed Audit Report Decembe r 2014/201 5	-	Copy of the final AG audit report	Obtained an Unqualified Audit Opinion from AG	Achieved	-	-
		Develop the implementa tion plan and facilitate the trainings for SCOA	Workshop on SCOA by date	Road Map (Worksho p) for SCOA be drafted by June 2016	-	Quarterly performance and annual reports	Workshop on SCOA have been conducted	Achieved	-	-

T3.25.4: EMPLOYEES FINANCIAL SERVICES 2015/16

JOB LEVEL	EMPLOYEE No YR 14/15	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
Employees: Financial Services: T3.25.4					
6	6	6	6	0	0
7	7	8	6	1	12,5%
8	7	7	7	0	0
11	8	7	7	1	14,2%
16	2	2	2	0	0
20	1	1	1	0	0%
Total	31	30	29	2	7%

T3.25.5 FINANCIAL YEAR: FINANCIAL SERVICES: 2015/16

Financial Performance Year 2016: Financial Services					
R'000					
Details	2015	2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	186 290	231 560	251 560	245 064	6%
Expenditure:					
Employees	10 852	14 508	13 508	12 762	-14%
Repairs and Maintenance	30 897	105	105	46	-128%
Other	28 186	63 384	63 384	22 700	-179%
Total Operational Expenditure	69 935	77 997	76 997	35 508	-120%
Net Operational Expenditure	-116 355	-153 563	-174 563	-209 556	27%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.25.5

T3.25.6: CAPITAL EXPENDITURE: FINANCIAL SERVICES: 2015/16

Capital Expenditure Year 2016: Financial Services					
R' 000					
Capital Projects	2016				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3600	3600	5228	31%	
Vehicle Tracking System	500	500	0	0%	0
Project B	0	0	0		0
Project C	0	0	0		0
Project D	0	0	0		0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.25.6

3.26 HUMAN RESOURCE SERVICES

T 3.26.1: INTRODUCTION TO HUMAN RESOURCES SERVICES

Internally, the functions within the Corporate Services department are aligned in terms of their own corporate roles and the overall role of Corporate Services. Corporate Affairs is primarily a support function, which plays a key role in ensuring that core operations receive the required support that is non-core.

Human resources development, transformation, mobilization and the need to create a motivated, competent and effective workforce is the responsibility of all levels of organizational leadership and management. Nyandeni Local Municipality will continue develop the necessary institutional capacity and organizational culture required to mobilize the workforce towards the necessary performance levels. The Human Resources function is geared up in executing the necessary Human Resources processes, systems and policies that will ensure effective institutional development of Nyandeni Local Municipality.

The Corporate Services Department is also responsible for Support Services Function which range from Customer Care Services, Office Accommodation, Facilities Management, Office automation and Registry/Archives Management. The Support Services Function is in a position to support with the necessary levels of capacity, competence, technology and resources.

It is important to note that the Department functioned without a Senior Manager Corporate Services for the rest of the year (since January 2015).

Key priorities in the year under review include:

- Policy development and review
- Organizational design
- Human Resource Development
- Employee Relations and Wellness
- Performance Management

T3.26.2 SERVICE STATISTICS FOR HUMAN RESOURCES SERVICES

APPOINTMENTS FROM JULY 2015-2016

POST	NAME	START DATE
1. Manager M&E	Mrs B.Bavu-Ncoyini	01/10/2015
2. Secretary Mayor,	Ms B.Mjoli –Nomjana	01/04/2016
3. Admin Officer	Mr. M.Mxenge	01/07/2015
4. Secretary to fulltime Councilor	Ms S.Ngongo	01/04/2016
5. SPU Clerk	Ms. N. Mavuso	01/05/2016
6. Team Leader	Mr G.Rangayi	01/03/2016
7. Community Services Officer	Ms Y.Mangqishi	01/03/2016
8. General Worker : Waste Management	Mrs N.Buleshe –Ndamase	01/07/2015
9. Truck Driver	Mr T.Madolo	01/03/2016
10. HIV/AIDS Officer	Mrs V.Puza	01/08/2015
11. General Worker: Field Ranger	Mr.T.Mbiko	01/02/2015
12. General Worker: Field Ranger	Mr B.Mahleka	01/02/2015
13. General Worker: Community Services	Mr S.Lukhukho	01/02/2015
14. Field Worker FBS	Ms N.Cakata	01/03/2016
15. Field Worker FBS	Ms V.Cele	03/05/2016
16. General Worker: Corporate Services	Mr X.Mbuzi	03/11/2014

17. FBS Officer	Ms N.Bonga	01/08/2015
18. Superintendent Law Enforcement	Mr. Z.Ndabetha	01/02/2016
19. LED Clerk	Ms. N. Zaki	01/07/2015
20. LED Officer: SMME	Ms O Gcaza	01/07/2015
21. Spatial Planning Manager	Mr. A.Zituta	01/06/2016
22. Human Settlements Clerk	Mr M.Luvulweni	01/08/2015
23. ISD Officer	Ms N.Krewu	01 /03/2016
24. Mechanic Artisan	Mr .T.Nqikashe	01/07/2015
25. Assistant Manager Asset Management	Mr .T.Jozana	01/10/2015
26. Senior Manager Corporate Services	Mr S.Mwunelo	01/10/2015
27. Budget & Reporting Accountant	Ms W . Hlathini	01/08/2015
28. Budget Management Manager	Mr M.Mhlifili	01/11/2015
29. Expenditure Clerk	Ms N.Khwanya	01/06/2016
30. Senior Expenditure Clerk	Mr W .Jali	01/03/2016
31. Team Leader	Mr .M.Mavika	01/07/2015
32. Internal Auditor	Mr G.Nogwaza	01/03/2016

PROMOTIONS 2015/2016

PROMOTIONS (refers to people who are in the municipal employee and have since been appointed on other positions in the normal recruitment and selection process)

POST	NAME	START DATE
1. . Superintendent Law Enforcement	Mr. Z.Ndabetha	01/02/2016
2. Security Officer	Mr .M.Mavika	01/07/2015
3. Senior Expenditure Clerk	Mr W .Jali	01/03/2016
4. Budget & Reporting Accountant	Ms W . Hlathini	01/08/2015
5. Assistant Manager Asset Management	Mr .T.Jozana	01/10/2015
6. Human Settlements Clerk	Mr M.Luvulweni	01/08/2015
7. ISD Officer	Ms N.Krewu	01/03/2016
8. HIV/AIDS Officer	Mrs V.Puza	01/08/2015
9. Truck Driver	Mr T.Madolo	01/03/2016
10. Team Leader	Mr G.Rangayi	01/03/2016
11. Community Services Officer	Ms Y.Mangqishi	01/03/2016
12. Secretary to fulltime Councilor	Ms S.Ngongo	01/04/2016

TERMINATIONS

RESIGNATIONS

POST NAME	INITIAL & SURNAME	DATE
1. SCM Practitioner	M Dangazele	29/04/2016

DEATH

INITIALS & SURNAME	POST	DATE
Ms P.Nkonyeni	1. SPU Clerk	13/08/2015
Mr S.Tutu	2. Security Guard	31/12/2015

RETIREMENT

INITIALS & SURNAME	POST	DATE
1. M Mgevu	Security Guard	31/12/2015
2. V Soganga	Registry Clerk	31/05/2016
3. N Cetumane	Office Administrator	31/05/2016

Dismissal

INITIALS & SURNAME	POST	DATE
1. S,Ndamase	Security Guard	22/10/2015

HRD REPORT

TRAINING INTERVENTIONS	BENEFICIARIES				
	Departments	Gender		Levels	Amount
		Female	Male		
Basic Computer Literacy	Plann and Dev., Comm. Services,	7	5	11,7,3	R 55,697.04
Customer Care	Infrastructure Dev.,CPS,BTO,MM,Comm.Services	9	2	11,8,7,3	R 35,828.54
House Keeping	CPS, Comm. Services	15	5	7,4,3	R 68,377.00
Report Writing	Plann and Dev.,MM,Comm.Services	8	1	11,8,7	R 23,235.84
Employment Equity Training	CPS,MM, Comm. Services	9	3	20,16,11,7,5	R 51,600.00
Report Writing Skills	CPS,MM	2		8,7	R 2,858.82
Local Government Law and Administration- 2nd Year	MM		1	16	R30250.00
Local Government Law and Administration- 4th Year	MM		1	8	R 27,225.00
Bachelor of Public Administration	MM,Plann. And Dev.,Comm. Serv.	1	2	16,11,7	R 135,000.00
Honours in Public Administration	CPS,BTO	1	1	20,16	R100000.00
MPA	MM	1		25	R36500.00
TOTAL		53	21		R 399,822.24

TRAINING OF COUNCILLORS

Training Intervention	Beneficiaries				
	Departments	Gender		Levels	Amount
		Female	Male		
Basic Computer Literacy	Council	7	9	Councilors	R 74,262.72
Basic Computer Literacy	Traditional Leaders	2	9	Traditional Larders	R 69,172.18
Report Writing	Council	3	4	Councilors	R 18,072.32
Employment Equity Training	Council	1		Councilor	R 4,300.00
Local Government Law and Administration- 2nd Year	Council			Councilors	R 61,000.00
Local Government Law and Administration- 3rd Year	Council			Councilors	R 113,740.00
Local Government Law and Administration- 4th Year	Council			Councilors	R 163,350.00
Bachelor of Public Administration	Council			Councilors	R 90,000.00
MPA	Council			Councilors	R 170,000.00
TOTAL		22	29		R 763,897.22

TRAINING OF UNEMPLOYED

Training Intervention	Beneficiaries				
	Departments	Gender		Levels	Amount
		Female	Male		
Traffic Officer Training (Paid by Municipality)	Members of the Community	2	7	N/A	R 189,000.00
Basic Computer Literacy	MM, Infrastructure	2	1	Interns	R 13,924.26
Customer Care	CPS,MM	9	1	Interns	R 3,257.14
Report Writing	MM	3	1	Interns	R 10,327.04
Crop Production	Members of the Community	6	7	N/A	R 54,600.00
Handyman Training	Members of the Community	3	7	N/A	R 135,000.00
Paving Training	Members of the Community	20	22	N/A	R 149,260.00
New Venture Creation	Members of the Community	35	7	N/A	R 189,557.49
Job Hunting Skills	MM, CPS, Comm. Services, Infrastructure Dev. Planning and Dev.,	23	12	Interns	Depart of Labour
Municipal Finance Management programmes	BTO	2	1	interns	R 145,500.00
Report Writing Skills	Members of the Community	29	3	Interns	R 44,311.71
Basic Computer Literacy	Members of the Community	1	4	Interns	OR Tambo District Mun.
Professional Cookery, Accommodation and Food Beverages	Members of the Community	24	19	N/A	CATHSSETA
TOTAL		159	92		R 934,737.64

INTERNSHIP DATABASE

No.	NAME OF LEARNER	SURNAME OF LEARNER	ID NUMBER	INSTITUTION	DEPARTMENT	APPOINTMENT DATE	EXPIRY DATE	STATUS	STIPEND
1	Phumeza	Dyanti	8907030990087	Walter Sisulu University	MM	27-Jan-14	31-Jul-15	Completed	R 2,500.00
2	Ntombethemba Priscilla	Tshali	8504071165081	Walter Sisulu University	MM.IDP	2-Feb-15	31-Jan-17	Contract Renewed	R 2,500.00
3	Buseka	Soni	8212110702084	Walter Sisulu University	MM. Internal Audit	2-Feb-15	31-Jan-17	Contract Renewed	R 2,500.00
4	Nokubulela	Dlutu	9005080825086	WSU	Wellness	2-Feb-15	31-Jan-17	Contract Renewed	R 2,500.00
5	Ndimphiwe	Luhabe	9001085714086	Walter Sisulu University	IT	5-May-15	31-Oct-16	Contract Renewed	R 2,500.00
6	Zimkhitha	Damane	8701101265085	Walter Sisulu University	Tourism	1-Jun-15	31-May-17	Contract Renewed	R 2,500.00
7	Mzwanele	Ginya	8804075930088	Walter Sisulu University	Com Serv.-L.E.	1-Jun-15	31-May-17	Contract Renewed	R 2,500.00
8	Pumla	Soganga	8612310538081	Walter Sisulu University	Com Serv.-L.E.	1-Jun-15	31-May-17	Contract Renewed	R 2,500.00
9	Nosipho	Mbalekwa	8103031228087	Walter Sisulu University	MM	1-Jul-15	30-Jun-16	Completed	R 2,500.00
10	Christopher	Goldsmith	8909145964080	Walter Sisulu University	Planning & development	31-Jul-16	31-Jul-16	Completed	R 2,500.00
11	Sonwabile	Madolo	8504305582085	Walter Sisulu University	Internal Audit	31-Jul-16	31-Jul-16	Completed	R 2,500.00
12	Zintle	Mthi	9109070575089	University of Free state	BTO	1-Jul-15	30-Jun-17	On progress	R 7,500.00
13	Siphamandla	Mnyekemfu	8906255489080	University of Fort hare	BTO	1-Jul-15	30-Jun-17	On progress	R 7,500.00
14	Yandiswa	Mabengwana	8912140752088	NMMU	BTO	1-Jul-15	30-Jun-17	On progress	R 7,500.00
15	Nontembeko	Sichwe	9312250803087	Walter Sisulu University	BTO	31-Oct-17	31-Oct-17	On progress	R 7,500.00
16	Zanele	Sidoji	8704020921085	Walter Sisulu University	Com Serv. - Security	30-Nov-16	30-Nov-16	Contract Renewed	R 2,500.00

WORK INTEGRATED LEARNING (WIL)

No.	NAME OF LEARNER	SURNAME OF LEARNER	ID NUMBER	INSTITUTION	DEPARTMENT	APPOINTMENT DATE	EXPIRY DATE	STATUS	STIPEND
1	Nokubulela	Mbono	8911180764086	Buffalo City FET College	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
2	Kuthala	Nobanda	8904220729086	Thekwini FET College	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
3	Ntanda	Mcunukelwa	8905015622089	Esayidi FET College	Corporate Services	31-Jul-16	31-Jul-16	Completed	R 1,500.00
4	Thozama	Jackson	8304040778084	Berea Technical College	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
5	Mzowuyo	Zide	8806185950088	Ikhala FET College	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
6	Siphosethu	Dutywa	9102010884083	Walter Sisulu University	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
7	Feziwe	Nomandla	7612161348086	Walter Sisulu University	HRM	31-Jul-16	31-Jul-16	Completed	R 1,500.00
8	Zameka	Mzimvubu	8708141161083	KSD FET College	Corporate Services	31-Jul-16	31-Jul-15	Completed	R 1,500.00

T3.25.4 EMPLOYEES: HUMAN RESOURCE SERVICES

	HUMAN RESOURCE STAFF T.3.26.2		Year 0		
JOB LEVEL	EMPLOYEE NO.FY 14/15	POSTS NO.	EMPLOYEE NO. FY 15 16	VACANCIES NO.VACANCIES AS%	
3	21	28	28	0	0%
4	2	2	2	0	0%
7	9	9	9	2	0%
8	1	1	1	0	0%
10	0	0	0	0	0%
11	5	5	5	0	0
12	0	0	0	0	0
16	1	1	1	0	0
20	1	1	1	0	0
TOTAL	41	50	48	2	4%

T3.26.5 FINANCIAL PERFORMANCE 2015/16: HUMAN RESOURCE SERVICES

Financial Performance Year 2016: Human Resource Services							R'000
Details	2015		2016			Variance to Budget	
	Actual	Original Budget	Adjustment Budget	Actual			
Total Operational Revenue	958	750	750	441		-41%	
Expenditure:							
Employees	16 912	13 549	19 228	17 745		31%	
Repairs and Maintenance	412	1 258	803	408		-68%	
Other	13 718	11 367	15 362	13 934		23%	
Total Operational Expenditure	31 042	26 174	35 393	32 087		23%	
Net Operational Expenditure	-30 084	-25 424	-34 643	-31 646		24%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.							T 3.26.5

T3.26.6 CAPITAL EXPENDITURE: HUMAN RESOURCE SERVICES

Capital Expenditure Year 2016: Human Resource Services							R' 000
Capital Projects	2016				Total Project Value		
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget			
Total All	3 306	3 504	2 474	-25%			
Land & Buildings	2 950	3 148	2 122	-28%	0		
Office furniture & Equipment	250	250	240	-4%	0		
Tools & Equipment	106	106	112	6%	0		
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).							T 3.26.6

3.27 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is a unit within the municipality that falls under Corporate Services Department and it ensures that all other departments are being advised and supported. The department is responsible for planning, advising and managing the ICT Systems. The ICT have set out the following priorities:

- Minimizing the loss of municipal information
- To have a reliable and efficient network for the municipality
- Provide a manageable telephone system.
- Provided a functional and interactive website.
- Upgrading of MS Office 2007 to MS Office 2013

The ICT section has ensured that we upgrade the municipal applications like MS Office 2007 to MS Office 2013 that provides easy interface for our users to produce quality documents. We procured CIBCS data back-up that ensures that all our municipal information is secured and we have linked our systems to the website to ensure that all our employees uses web application for easier access to our system.

ICT governance framework and policies have been developed and adopted by Council on the 31 May 2016.

T3.27.3 ICT POLICY OBJECTIVES TAKEN FROM IDP

FOCUS AREA/ PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIV E MEASURE
Information and Knowledge Management	To ensure a functional, reliable network, and integrated network applications that will be policy driven by 2017.	To have an integrated Information Management System	Number of end user capacitated on systems functionally (Promun, website and intranet, network connectivity)	To capacitate End Users to utilise the system optimally and provide timely support	To capacitate 120 End Users to utilise the system optimally and provide timely support	Attendance Register and Minutes	120 end users work shopped to utilise the system optimally	Achieved	-	-
			Systems producing quality reports on its overall usage	Review our network connections and system reliability	-	System Audit Report	The functionality of all our network has been verified by vodacom and found to be reliable. Those services which were identified as underutilised or not used were activated for use.	Achieved	-	-

Information and Knowledge Management	To ensure a functional, reliable network, and integrated network applications that will be policy driven by 2017.	Maintain the backup server to eliminate the loss of information	Number of workshop conducted Functional Disaster Recovery and backup system	All stakeholders work shopped on the Disaster Recovery and Business Continuity Plans Awareness workshops for all our employees on municipal information security	Conduct workshop on Functional Disaster Recovery and backup system	Attendance Register of the workshop	120 end users work shopped to use their	Deviated	The process to install the DR system took longer than expected as it was finished at the end of May. Hence training could not be done.	To be done in the next financial 2016/2017
			Implemented offsite databack up by set date	Develop and implement Audit Action Plan	Implementation of offsite data back-up	Progress Report	1. Offsite data back-up implemented	Achieved	-	-
			Number of ICT policies developed		Developed 4 ICT policies and 1 ICT Framework		2. ICT policies adopted by the council.	Achieved	-	-
			Implemented help desk software by set date		Implementation of help desk software		3. Helpdesk implemented.	Achieved	-	-

		Facilitate the website update on a monthly basis	Website Update register	Provide access & update information about the Municipality for internal and external stakeholders	-	Information Update Request Register	Website register updated.	Achieved	-	-
Information and Knowledge Management	To ensure a functional, reliable network, and integrated network applications that will be policy driven by 2017.	Capacity building on the utilization of Registry	No training taking place for registry utilization	Facilitate training of all office employees	Facilitate training of 3 registry employees	Attendance Registers	Differed to next financial year.	Deviated	UNISA postponed training due to small number of people that were to attend it.	To be done in the next financial 2016/2017

T3.27.4 EMPLOYEES: ICT SERVICES

	HUMAN RESOURCE STAFF T.3.26.2		Year 0		
JOB LEVEL	EMPLOYEE NO.FY 14/15	POSTS NO.	EMPLOYEE NO. FY 15 16	VACANCIES NO.	VACANCIES AS%
10	2	2	2	0	0%
11	1	1	1	0	0%
TOTAL	3	3	3	2	0%

T3. 27.5 FINANCIAL PERFORMANCE 2015/16: ICT SERVICES

Financial Performance Year 2016: ICT Services					
R'000					
Details	2015	2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	
Expenditure:					
Employees		-	-	-	
Repairs and Maintenance	62	115	145	61	-47%
Other	147	513	433	164	-68%
Total Operational Expenditure	209	628	578	225	-64%
Net Operational Expenditure	-209	-628	-578	-225	-64%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.27.5

T3.27.6: CAPITAL EXPENDITURE 2015/16: ICT SERVICES

Capital Expenditure Year 2014: ICT Services					
R' 000					
Capital Projects	2016				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 050	1 750	1 307	24%	
Computer Equipment	500	500	490	-2%	-
IT Infrastructural Development	250	950	817	69%	-
Surveillance Cameras	150	150	-	-100%	-
Computer Software	150	150	-	-100%	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.27.6</i>

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES: T3.28.1

This component includes: property; legal; risk management and procurement services. The Legal Services function is located in the Office of the Municipal Manager; its main responsibility is to facilitate provision of legal advice to the entire institution. Given limited capacity the municipality has versus the kind of work that must be done, a portion of work has been outsourced. Supply Chain Management Policy is in place and aligned to National regulations. Risk Management Officer has been appointed and the Municipality continues to receive support from the Operational Clean Audit unit until capacity is enhanced.

T3.28.2: SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

LITIGATION REGISTER: 2015/16

1.BHS BUILDING CONTRACTORS CC vs NYANDENI MUNICIPALITY (Case No 55/12)

The municipality is being sued for a sum of R2 846 672.40 for the alleged unlawful cancellation of a contract for the construction of Ngqeleni Road. The municipality is defending the matter as it contends that the cancellation was lawful as the company had failed to honour the conditions of the contract. The municipality has filed its plea and the parties are still exchanging pleadings.

2.NYANDENI LOCAL MUNICIPALITY vs AYANDA MAQOLO (Case No 724/13)

The municipality is suing the above named person for the illegal invasion of municipal land. The municipality has obtained an interim interdict against the respondent and the matter has been set down in the opposed motion court for May 2014. The matter has since been heard and Judgment was granted in favour of the Municipality. Mr. Maqholo 's attorneys have since served the Municipality with a Notice of Application for Leave to Appeal and an Application for condonation for the late filing. Although leave to appeal was granted the Appellant has failed to prosecute the appeal within the allocated time and it has since lapsed. The only thing remaining is to instruct the sheriff to go and execute the judgement.

3.ZUKISWA SKENJANA vs NYANDENI LOCAL MUNICIPALITY (CASE NO. 1424/12)

The municipality is being sued for a sum of R600 000.00 for alleged negligence because the Plaintiff slipped on the stairs in the Municipal hall when she was attending a wedding. The Municipality is defending the matter since it is alleging that at the time of the incident the hall was not under the custody of the municipality but of the person who had hired the hall. The matter has been set down for hearing on the 2nd June 2014. The matter was postponed sine die at the instance of the Plaintiff and wasted costs were granted to the municipality and is awaiting the allocation of a new date.

4.MAQHAWE CONSTRUCTION VS NYANDENI LOCAL MUNICIPALITY (CASE NO.249/2014)

The municipality is being sued for a sum R1 938 570.00 (One Million Nine Hundred and Thirty Eight thousand Five Hundred and Seventy Rand by the contractor who claims that it is money that is owed by the Municipality as a standing time. This is the time that his machines stood on site while doing nothing and they claim that this was due to the fault of the municipality. The Municipality is defending the matter as the contractor did not even finish the work that he was contracted to do. The parties are currently in the process of exchanging pleadings. **The matter is ripe for hearing and a pre-trial hearing on the 5th February 2016.**

5. NWABISA NDAMASE vs NYANDENI LOCAL MUNICIPALITY (CASE NO.241/2016)

In this matter the municipality is being sued for a sum of R2 500 000.00 (two million five hundred thousand rand by the plaintiff who claims that her child was killed when he drowned in a hole as a result of the negligence of the contract that had been appointed by the municipality to contract a road in Mhlanganisweni Administrative Area. The municipality is defending the matter and the parties are still exchanging pleadings.

T3.28.2: PROCUREMENT SERVICES: 2015/16

REFERENCE NUMBER	PROJECT NAME	NAME OF BIDDER	AWARD DATE	CONTRACT AMOUNT	B-BBEE LEVEL OF CONTRIBUTION
BID 06/2015	Professional Services for Construction of Bukhwezeni Access Road	Olom Consulting Engineers	18-Aug-15	R 696 973.20	1
BID 07/2015	Professional Services for Construction of Mgonondi Access Road	Gilgal Development Consulting Engineers and Project Managers	18-Aug-15	R 986 100.00	1
BID 08/2015	Professional Services for Construction of Mgojweni to Mabhetshe Access Road	Uphuhliso Nohlumo (Pty) Ltd	18-Aug-15	R 867 027.00	3
BID 09/2015	Professional Services for Construction of Ndayini Access Road Phase 2	Gaba Consulting Engineers	18-Aug-15	R 513 000.00	3
BID 10/2015	Professional Services for Construction of Libode Internal Roads (Ext 1)	ZNM Consulting Engineers	18-Aug-15	R 1 105 800.00	3
BID 11/2015	Professional Services for Construction of Ngqeleni Internal Roads (Ext 2)	Uphuhliso Nohlumo (Pty) Ltd	18-Aug-15	R 824 676.00	3
BID 12/2015	Professional Services for Construction of Msuzwaneni to Thekwini Access Road	Nqabashe Consulting Engineers	19-Aug-15	R 888 850.00	3
BID 13/2015	Professional Services for Construction of Cibenini to Ngojini Access Road	Chule Consulting Engineers	19-Aug-15	R 950 176.32	1
BID 14/2015	Professional Services for Construction of Mafusini to Zincukuthwini Access Road Phase 2	KNNA Consulting Engineers cc	21-Aug-15	R 432 232.23	4
BID 20/2015	Supply and Delivery of Alternative Energy - Cluster 3	Silver Solutions 2455	08-Oct-15	R 1 438 920.00	3

BID 20/2015	Supply and Delivery of Alternative Energy - Cluster 1	Zizobobele Trade and Projects	08-Oct-15	R 1 636 240.00	3
BID 39/2015	Supply and Delivery of Agricultural Inputs (Terminated)	Luphawu Lwam Trading Enterprise	23-Nov-15	R 1 539 000.00	1
BID 23/2015	Ncambedlala to Manzimahle Access Road	Anix Trading 129 cc	25-Nov-15	R 6 424 160.49	1
BID 24/2015	Sezela to Njezweni Access Road	Sxakeko JV Nase Construction	25-Nov-15	R 4 303 495.75	3
BID 25/2015	Dumase to Mangwaneni Access Road	FS & W Contractors	25-Nov-15	R 3 356 749.68	3
BID 27/2015	Zanokhanyo to Lutsheko Access Road	Best Thought Trading & Projects 108	25-Nov-15	R 3 571 649.07	3
BID 28/2015	Dalagubha Access Road	Likotoz Projects	25-Nov-15	R 4 803 870.68	1
BID 29/2015	Maqanyeni to Mgungundlovu Access Road	Vuka Sakhe Building and Civil Contractors	25-Nov-15	R 2 991 636.45	1
BID 35/2015	Rehabilitation of Mdina Access Road	Bronks Construction	25-Nov-15	R 2 465 608.53	1
BID 31/2015	Supply and Delivery of Grader	Barloworld Equipment (Pty) Ltd	03-Dec-15	R 3 266 692.80	2
BID 32/2015	Supply and Delivery of Padfoot Roller	Barloworld Equipment (Pty) Ltd	03-Dec-15	R 1 306 120.80	2
BID 33/2015	Supply and Delivery of Skip Loader Truck	Fleet Dynamics	03-Dec-15	R 793 440.00	4
BID 40/2015	Electrification of Ngqeleni Phase 3- Mzonyana, Mpoza & Ngoini	Brightside Electrical Contractors	10-Dec-15	R 10 000 000.00	3
BID 41/2015	Electrification of Ngqeleni Phase 3- Lwandile & Mamolweni	Solethu Energy	10-Dec-15	R 14 848 485.27	2
BID 38/2015	Supply and Delivery of 6 High Mast Lights	Burlington Electrical (Pty) Ltd	14-Dec-15	R 1 895 835.00	2
BID 36/2015	Rehabilitation of Thekwini Access Road	Choloza Trading Enterprise	19-Jan-16	R 2 320 435.60	3
BID 37/2015	Rehabilitation of Mathayi Access Road	MVY Civils	19-Jan-16	R 1 170 245.34	3
BID 06/2016	Server Virtualisation and Server Replication	ITNA (PTY) LTD	08-Mar-16	R 993 637.79	2

BID 07/2016	Supply and Delivery of New Tyres and Fixing of Tyres	CLICHÉ TYRES (PTY) LTD	09-Mar-16	R 98 247.48	0
BID 03/2016	Supply and Delivery of Concrete Kerbs	MAZOCORP (PTY) LTD	10-Mar-16	R 449 561.80	3
BID 01/2016	Supply and Delivery of Fuel and Oil	Ulundi Filling Station	10-May-16	R 1 094 400.00	1
BID 12/2016	Professional Services for Pavement Management	Leko Engineering Consultants	10-May-16	R 654 645.65	1
BID 13/2016	Excavator and Truck Hire	Sifumba Trading	10-May-16	R 371 750.00	3
BID 18/2016	Rehabilitation of Luqolweni Access Road	Faku Mphumzi Civils & building Construction	10-May-16	R 1 795 740.00	1
BID 10/2016	Supply and Delivery of T-Shirt Branding Machine	MAZOCORP (PTY) LTD	11-May-16	R 359 562.89	3
BID 02/2016	Professional Services of Libode Landfill Site	Scientific Roets Engineering Services	12-May-16	R 837 900.00	4
BID 17/2016	Rehabilitation of Gxeni Access Road	Bronks Construction	16-May-16	R 2 036 174.81	1
BID 09/2016	Supply and Delivery of Building Material for Construction of Pre-School	Sakhulwazi Trading Enterprise	17-May-16	R 615 234.60	1
BID 21/2016	Professional Services for Construction of Ngqeleni Offices and Workshop	Leko Engineering Consultants	31-May-16	R 1 782 570.00	1
BID 20/2016	Supply and Delivery of Trading Furniture for Local Informal Traders	Platinum Budget Office Furniture (Pty) Ltd	24-Jun-16	R 614 703.28	2
BID 23/2016	Supply and Delivery of Three Room Park Home	Allenby Housing	24-Jun-16	R 185 158.00	1
BID 24/2016	Review of Nyandeni Tourism Sector Plan	Urban - Econ Development Economists	24-Jun-16	R 175 570.00	2
BID 25/2016	Rehabilitation of Mangabeni Access Road - Alternative Surfacing	Tiki Tiki Civils	24-Jun-16	R 4 598 281.49	3
BID 27/2016	Supply and Delivery of Two Single Cab Bakkies	JDG Trading	24-Jun-16	R 641 852.40	8
BID 28/2016	Financial Management Support	Uyakhe Financial and Business Advisory Services	24-Jun-16	R 820 800.00	1

T3.28.3: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES AS TAKEN FROM IDP:

T3.28.4EMPLOYEES: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES AS TAKEN FROM IDP:

FOCUS AREA/PRIORITY	STRATEGIC OBJECTIVE	STRATEGY/ PROJECT TITLE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	REVISED ANNUAL TARGET	ANNUAL MEANS OF VERIFICATION	ACTUAL PERFORMANCE	ACHIEVED/ DEVIATED	REASON FOR DEVIATION	CORRECTIVE MEASURE
Risk and Fraud Management	To identify, assess and mitigate municipal risk	Develop and implement comprehensive risk management strategy/policy, risk management profile risk register and management charter.	Adopted risk management strategy, risk register and management charter	Review Risk Management Plan, risk Management Committee charter, risk management strategy and profile for adoption by Council	-	1.Copy of approved Risk Management Plan, 2.Risk Management Committee charter, risk management strategy and profile 3.Council Resolution	The Risk management plan, risk committee management charter, risk management strategy and risk profile have been developed and submitted to audit committee and Council	Achieved	-	-

			Number of risk committee meetings	Conduct four risk management committee meetings	-	1. Minutes of 4 meetings held 2. 4(Four) Attendance Register	Four risk committee meetings were held on the following dates: 28 September 2015, 16 October 2015, 03 February 2016 and 09 June 2016	Achieved	-	-
		Develop systems and processes to combat corruption	Reviewed and approved fraud prevention strategy	Reviewed Fraud Prevention policy and strategy	Reviewed Fraud risk management policy and approved by Council	1.Attendance register 2.Council resolution	The fraud prevention policy and strategy have been reviewed	Achieved	-	-

The Legal services manager and risk officer is located under executive and council and officials for supply chain under financial services.

T3.28.5 FINANCIAL PERFORMANCE 2015/16: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The budget is allocated as per T3.28.4.

T3.28.6 CAPITAL EXPENDITURE 2015/16: PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The budget is allocated as per T3.28.4.

COMPONENT J: MISCELLANEOUS

The component includes: the provision of airports, Abattoirs, Municipal Courts and Forestry as municipal enterprise. This section is not applicable to the municipality.

T3.30 COMPONENT K: ORGANIZATIONAL PERFORMANCE SCORECARD

The performance information is an annexure to the annual report.

CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The municipal organizational development process is aligned with the IDP formulation process and is guided by approved council process plan. In the year under review council approved the organizational structure taking into consideration the IDP objectives as articulated and adopted by council. The organizational structure is in line with the national Key Performance Areas and is commensurate with the municipal powers and functions. It is reviewed annually.

It is worth noting that the process of organizational development and review is guided by approved council policy.

Presentation of the organizational structure

The municipality has the following departments:

- Municipal Managers Office
- Technical Services
- Community Services
- Planning & Development
- Budget and Treasury Office
- Corporate Services

The organogram has **318** posts of which **23** are vacant posts, these include unfunded posts. All Senior Managers have signed employment contracts and performance agreements.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEES					
Description	Year -1 FY 14 15	Year 0 FY 15 16			
	Employee No.	Approved Posts No.	Employee No.	Vacancies No	Vacancies %
Water	0	0	0	0	0%
Waste water(Sanitation)	0	0	0	0	0%
Electricity	2	3	3	0	0%
Waste Management	37	44	39	5	11%
Housing	4	5	5	0	0
Waste Water(Storm water drainage)	0	0	0	0	0
Roads	26	30	27	3	10%
Transport	7	8	8	0	0%
Planning	2	3	3	0	0%
Local Economic Development	5	6	6	0	0%
Planning (Strategic and Regulatory)	13	43	43	0	0%
Community and Social Services	28	17	17	0	0%
Environmental Protection	0	1	1	0	0%
Health	1	1	1	0	0%
Security and Safety	46	87	77	10	11%
Sport and Recreation	2	2	2	0	0%
Corporate Policy Office and other	70	70	64	6	9%
Total	243	320	296	24	7.5%

Vacancy Rate Year: 0 FY 15 16			
Designation	Total Approved Post No	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	Vacancies % (as a proportion of total posts in each category)
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers(Excluding finance posts)	5	0	0
Other S57 Managers(finance posts)	0	0	0
Police Officers	0	0	0
Firefighters	0	0	0
Senior Management Levels13-15 (Task Grade 16) Excluding Finance Posts	14	0	0
Senior Management Levels 13-15(Task Grade 14-16) (Finance Posts)	4	0	0
Highly Skilled supervision Levels 9-12(Task Grade 9-11) (Excluding Finance Posts)	47	2	4.2
Highly Skilled supervision Levels 9-12(Task Grade 9-11) (Finance Posts)	8	1	12.5
TOTAL	80	3	3.75

Turn Over -Rate			
Details	Total appointments as of the beginning of the Financial Year	Terminations during the Financial Year	Turn Over Rate
Year -2 FY 13/14	40	4	10%
Year -1 FY 14/15	39	11	28%
Year -0 FY 15/16	32	7	22%
TOTALS			

COMPONENT B MANAGING THE MUNICIPAL WORKFORCE

Introduction to Municipal Workforce Management

Section 195 of the Constitution provides that public administration must be governed by the democratic values and principles enshrined in the Constitution including

- I. High standard of professional ethics must be promoted and maintained
- II. Efficient, economic and effective use of resources must be promoted

Furthermore, section 67 of the Local Government: Municipal Systems Act prescribes that a municipality must develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent administration.

In the year under review, council adopted various policies listed below to manage the municipal workforce.

4.2 POLICIES

HR POLICIES AND PLANS				
Ser No	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1.	HRD	100%	100%	July 2015
2.	Induction	100%	100%	July 2015
3.	Recruitment & Selection	100%	100%	July 2015
4.	Placement	100%	100%	July 2015
5.	HIV /AIDS	100%	100%	July 2015
6.	Cellphone	100%	100%	July 2015
7.	Transport	100%	100%	July 2015
8.	Employee Health & Wellness	100%	100%	July 2015
9.	Records Management	100%	100%	July 2015
10.	Employment Equity	100%	100%	July 2015
11.	Bursary and Other forms of Financial Ass.	100%	100%	July 2015
12.	Personnel Regulations	100%	100%	July 2015
13.	Overtime	100%	100%	July 2015
14.	Sexual Harassment	100%	100%	July 2015
15.	Leave	100%	100%	July 2015
16.	Staff Retention	100%	100%	July 2015
17.	Disciplinary	100%	100%	July 2015

18.	Strike Management	100%	100%	July 2015
19.	Incapacity Due to Ill health	100%	100%	July 2015
20.	Incapacity due to poor performance	100%	100%	July 2015
21.	Performance Management	100%	100%	July 2015
22.	Customer Care	100%	100%	July 2015
23.	Incapacity due to Operational Requirements Policy	100%	100%	July 2015
24.	Inclement Weather Policy	100%	100%	July 2015
25.	Dress Code Policy	100%	100%	July 2015
26.	Smoking Policy	100%	100%	July 2015
27.	Policy on Organizational Establishment	100%	100%	July 2015
28.	Policy Development Guidelines	100%	100%	July 2015
29.	Sport & Recreation Policy	100%	100%	July 2015
30.	Internship Policy	100%	100%	July 2015
31.	Scarce Skills Policy	100%	100%	July 2015
32.	Private Work & Declaration of Interest Policy	100%	100%	July 2015
33.	Whistle Blowing Policy	100%	100%	July 2015
34.	Policy on Alcohol & Substance Abuse	100%	100%	July 2015
35.	Employee Retention	100%	100%	July 2015
36.	Secession Planning Policy	100%	100%	July 2015
37.	Probation Policy	100%	100%	July 2015
38.	Relocation Policy	100%	100%	July 2015
39.	Termination of Services Policy	100%	100%	July 2015
40.	Work Attendance policy	100%	100%	July 2015
	Employment Equity Plan	100%		July 2015
	Workplace Skills Plan	100%		April 2015

4.3 INJURIES, SICKNESSES AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY						
Type of Injury	Injury Leave Taken	Employees using Injury Leave	Proportion employees injury sick leave %	Average Injury Leave per Employee Day	Total Estimated Cost	
Car accident		Gqwaru				
NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURIES ON DUTY)						
Salary Band	Total Sick Leave	Proportions of Sick Leave without medical certification %	Employees using sick leave no.	Total employees in post no.	Average sick leave per employee days	Estimated cost R'000
TASK Grade 3-4	582	4%	50	74	60	13 740 824.68
TASK Grade 5-6	307	0%	34	62	33	15 116 765.60
TASK Grade 7- 8	400	5%	42	82	45	31 889 692.58
TASK Grade 10-11	304	2%	33	53	33	29 060 225.42
TASK Grade 14-16	28	0%	6	18	4.3	15 726 192.66
TASK Grade 20-25	2	.0%	.1	7	0.8	10 755 616.83
TOTALS	1623	3.6	166	296	176.10	116 289 317.77

Disciplinary Actions Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary Action Taken	Date Finalized
1. Cashier	Theft and Gross Dishonest	Written Warning	02/10/2015
2.Security Guard	Theft and Gross Dishonest	Dismissal	22/10/2015

4.4 PERFORMANCE REWARDS – NONE

Performance Rewards by Gender					
Designations	Beneficiary Profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within group %
Lower skilled (TG 1-2)	Female				
	Male				
Skilled (TG 3-5)	Female				
	Male				
Highly skilled production (TG 6-8)	Female				
	Male				
Highly skilled supervision (TG 9-12)	Female				
	Male				
Senior management (TG13-15)	Female				
	Male				
MM and S56	Female				
	Male				
Total					
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/ No

No performance rewards awarded

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management Level	Gender	Employee s in post as at 30 June 2016	Number of skilled employees required and actual as at 30 June Year											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2016/17 Target
MM and 56	Female	1	0	0	0	0	0	1	1	1	0	1	1	0
	Male	6	0	0	0	5	2	6	1	1	1	6	3	7
Cllrs, Senior officials and managers	Female	34	0	0	0	2	22	35	16	2	9	18	24	44
	Male	42	0	0	0	17	30	38	16	2	11	33	32	49
Technicians associate professionals	Female	3	0	0	0	3	1	3	1	1	0	3	1	3
	Male	4	0	0	0	4	2	4	0	1	1	4	3	5
Professionals	Female	27	1	0	0	7	18	27	1	1	7	8	19	34
	Male	29	0	0	0	2	15	15	1	2	5	3	17	20
Sub total	Female	65	1	0	0	12	41	66	19	5	16	30	45	81
	Male	80	0	0	0	28	49	63	18	6	18	46	55	81
Total		145	1	0	0	40	90	129	37	11	34	76	100	162

**Registered with professional Associate Body e.g. CA (SA)*

Employees appointed to posts not approved - NONE				
Department	Level	Date of App.	No. Appointed	Reason for Appointment when no established posts exist

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT (COGTA INDICATORS)

FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT

Financial Competency Development :Progress Report						
Description	A. Total number of employed by the Municipality (Regulations 14(4) (a) &(c)	B. Total number of employed by the Municipal Entities (Regulations 14(4) (a) &(c)	Consolidated Total of A & B	Consolidated: Competency Assessment Completed for A & B(Regulation 14 (4) (b) &(d)	Consolidated: Total number of officials whose performance agreements comply with Regulations 16 (Regulation 14 (14) (4)(f)	Consolidated: Total number of officials that meet prescribed competency levels Regulations 16 (Regulation 14 (4)(e)
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief Financial Officer</i>	1	0	1	1	1	1
<i>Senior Managers</i>	5	0	5	5	5	5
<i>Any other Financial Officials</i>	7	0	7	7	0	7
Supply chain Management						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior management</i>	1	0	1	1	0	1
TOTAL	15	0	15	15	7	15
This is a statutory report under the National Treasury :Local Government :MFMA Competency Regulation (June 2007) In compliance with National Treasury Local Government MFMA Competency Regulations (June 2007) the municipality has achieved the following:						

SENIOR MANAGERS

MUNICIPALITY	NAME	DESIGNATION	STATUS
Nyandeni LM	G.N. Cekwana	Planning & Dev.	Completed
	S. Munele	Corporate Services	Completed
	G.M.Zide	Community Services	Completed
	N.Nomandela	Municipal Manager	Completed
	L. Madzizela	Operations Manager	Completed
	B.K.Benxa	Chief Financial Officer	Completed
	Q.F.Q Madikida	Senior Manager :Infrastructure	Completed

MIDDLE MANAGEMENT

MUNICIPALITY	NAME	DESIGNATION	STATUS
Nyandeni LM	N. Koka	HR Manager	Completed
	B.Ngqongwa	LED	Completed
	S.Mandla	Internal Audit	Completed
	G.Nomqonde	Legal Services	Completed
	Z.Z.Madyibi	SCM Manager	Completed
	F.Mgwedane	Human Settlement Manager	Completed
	S.Maqhekeza	Chief Law Enforcement	Completed
	B.Bawu	M&E Manager	Completed

OFFICIALS

Municipality	Name	Designation	STATUS
Nyandeni LM	N. Matshikiza	Project Accountant	Completed
	N.Langa	Assistant Manager :Budget	Completed
	B. Mabuya	Internal Audit	Completed
	T.Jozana	Assistant Manager :Asset	Completed
	A. Norolela	Expenditure Accountant	Completed

Objectives take from the IDP

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	14	9	64%	Internal processes delays
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	0	0	0	
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	6	6	100%	
4	Percentage of Managers in Technical Services with a professional qualification	3	3	100%	
5	Percentage of municipalities within the district area that have a fully functional Performance Management System (DM/LM)	N/A			
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	200	200	100%	
7	Percentage of councillors who attended a skill development training within the current 5 year term	61	61	100%	
8	Percentage of staff complement with disability	0	0	0%	
9	Percentage of female employees	32	15	47%	
10	Percentage of employees that are aged 35 or younger	32	15	47%	Youth do not apply for unskilled level posts

CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION: T5.0.1

This chapter contains information regarding financial performance and highlights specific accomplishments. It comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: cash-flow
- Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS: T.5.1.0

5.1. STATEMENT OF FINANCIAL PERFORMANCE:

The annual financial statements have been prepared on the accrual of accounting and in accordance with historical cost convention, unless otherwise specified. The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognized Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No,56 of 2003. The financial statements have been prepared based on the accounting policies that the municipality deems to be appropriate for the activities of the municipality and have been applied consistently in all respects from the previous financial years.

STATEMENT OF FINANCIAL PERFORMANCE: T5.1.1

Financial Summary						
						R' 000
Description	2015	2016		Actual	Year 2015 Variance	
	Actual	Original Budget	Adjusted Budget		Original Budget	Adjustments Budget
Financial Performance						
Property rates	5690	5 317	5 317	5605	100%	100%
Service charges	188	212	212	200	100%	100%
Investment revenue	4931	5 300	5 300	7231	100%	100%
Transfers recognised - operational	186230	245 817	248 599	245981	100%	100%
Other own revenue	6542	10 520	30 520	15192	100%	100%
Total Revenue (excluding capital transfers and contributions)	203581	267 166	289 948	274209	%	%
Employee costs	92149	107 017	106 449	104244	100%	100%
Remuneration of councillors	17014	17 457	18 024	18041	100%	100%
Depreciation & asset impairment	36468	46 925	46 925	31783	100%	100%
Finance charges	117	110	110	140	100%	100%
Materials and bulk purchases	4938	23 774	24 309	4965	100%	100%
Transfers and grants	1241	5 000	6 065	5300	100%	100%
Other expenditure	81780	176 285	107 112	87566	100%	100%
Total Expenditure	233707	376 568	308 994	252039	%	%
Surplus/(Deficit)	(30)	(109 402)	(19 046)	22 170	%	%
Transfers recognised - capital	61324	58 809	58 809	58809	100%	100%
Contributions recognised - capital & contributed assets					%	%
Surplus/(Deficit) after capital transfers & contributions	31198	(50 593)	39 763	80979	%	%
Share of surplus/ (deficit) of associate	–				%	%
Surplus/(Deficit) for the year	31198	(50 593)	39 763	80979	%	%

<u>Capital expenditure & funds sources</u>						
Capital expenditure	65 376	86 102	72 102	67607	%	%
Transfers recognised - capital	67607	77 318	77 318	77318	100%	100%
Public contributions & donations	–	–			%	%
Borrowing	–	–			%	%
Internally generated funds	–	–	13 939	5624	%	%
Total sources of capital funds	68	77 318	91 257	82942	%	%
<u>Financial position</u>						
Total current assets	75685	85 261	65 261	109071	100%	100%
Total non current assets	355809	361 950	361 950	406635	100%	100%
Total current liabilities	17662	9 284	9 284	20740	100%	100%
Total non current liabilities	4221	1 835	1 835	4711	100%	100%
Community wealth/Equity	409612	436 091	416 091	490256	100%	100%
<u>Cash flows</u>						
Net cash from (used) operating	64354	77 319	91 258	106775	100%	100%
Net cash from (used) investing	73100	(77 318)	(91 258)	(71 559)	-7%	10%
Net cash from (used) financing	1000	–	–	1036	0%	0%
Cash/cash equivalents at the year end	65694	75 441	75 440	101947	%	100%
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	–	75 440	55 440	101947	100%	100%
Application of cash and investments	–	(377)	(377)		100%	100%
Balance - surplus (shortfall)	–	75 817	55 817		%	%
<u>Asset management</u>						
Asset register summary (WDV)	293162	361 950	375 890	406635	100%	100%
Depreciation & asset impairment	36468	46 925	34 598	31783	100%	100%
Renewal of Existing Assets	0	–	–	0		
Repairs and Maintenance	4938	23 774	23 346	4964	100%	100%

<u>Free services</u>						
Cost of Free Basic Services provided	1241	—	—	0	%	%
Revenue cost of free services provided	0	1 011	1 011	0	%	%
<u>Households below minimum service level</u>						
Water:	0	-	-	0	%	%
Sanitation/sewerage:	0	-	-	0	%	%
Energy:	0	4	4	0	%	%
Refuse:	0	1	1	0	%	%
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1</i>						
						<i>T 5.1.1</i>

FINANCIAL PERFORMANCE OF OPERATIONS: T5.1.2

5.2. GRANTS

Grants and transfers' spending: T5.2.1

Financial Performance of Operational Services							R '000
Description	2015	2016			Year 2016 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
<u>Operating Cost</u>							
Water	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Waste Water (Sanitation)	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Electricity	14 908	25 000	28 060	22 207	-12 58%	-26 36%	
Waste Management	3 411	3 192	2 420	338	-844 40%	-615 99%	
Housing	1 007	1 942	1 612	782	-148 46%	-106 24%	
Component A: sub-total	19 327	30 134	32 092	23 327	-29 18%	-37 58%	
Waste Water (Stormwater Drainage)	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Roads	67 782	106 428	40 103	18 971	-461 00%	-111 39%	
Transport	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Component B: sub-total	67 782	106 428	40 103	18 971	-461 00%	-111 39%	
Planning	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Local Economic Development	10 600	16 525	15 546	12 674	-30 39%	-22 66%	
Component B: sub-total	10 600	16 525	15 546	12 674	-30 39%	-22 66%	
Planning (Strategic & Regulatory)	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Local Economic Development	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Component C: sub-total	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Community & Social Services	26 452	46 424	44 978	42 771	-8 54%	-5 16%	
Environmental Protection	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Health	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Security and Safety	745	2 532	1 261	541	-368 37%	-133 26%	
Sport and Recreation	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Corporate Policy Offices and Other	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Component D: sub-total	27 197	48 956	46 239	43 311	-13 03%	-6 76%	
Total Expenditure	124 905	202 043	133 980	98 283	-105 57%	-36 32%	
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.							T 5.1.2

Grant Performance							R' 000
Description	2015	2016		Year 2015 Variance		Adjustments Budget (%)	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)		
Operating Transfers and Grants							
National Government:	185 930	245 499	245 499	245 499			
Equitable share	169 496	216 750	216 750	216 750	0%	0%	0%
Municipal Systems Improvement	934	930	930	930	0%	0%	0%
Department of Water Affairs	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Levy replacement	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
FMG	1 791	1 600	1 600	1 600	0%	0%	0%
INEP electrification grant	12 537	25 000	25 000	25 000	0%	0%	0%
Expanded Public Works Programme -EPW	1 172	1 219	1 219	1 219	0.00%	0	0
Provincial Government:	300	318	1 300	300			
Health subsidy	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Housing	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Ambulance subsidy	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Sports and Recreation	300	318	300	300	6%	0%	0%
CoGTA (Local Elections)	-	-	1 000	-			
District Municipality:	-	-	-	-	-	-	-
<i>[insert description]</i>							
Other grant providers:	-	-	1 800	182			
DEDEAT	-	-	1 800	182	#DIV/0!	0.898708333	0.898708333
LG SETA	-	-	-	-	0%	#DIV/0!	#DIV/0!
Devolution of Property Rates	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Total Operating Transfers and Grants	186 230	245 817	248 599	245 981			
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.							T 5.2.1

T5.2.2

All grant funds had been received as reflected in the Division of Act and have been spent.

T5.2.3 GRANTS RECEIVED FROM OTHER SOURCES OTHER THAN DIVISION OF REVENUE (DoRA)

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year 2015	Actual Grant Year 2016	Year 2013 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Foreign Governments/Development Aid Agencies						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Private Sector / Organisations						
A - "Project 1 - LG SETA"	95 196	441 350	-	N/A	N/A	This grant assists in capacity building and skills development.
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<i>Provide a comprehensive response to this schedule</i>						T 5.2.3

5.3. ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT: T5.3.1

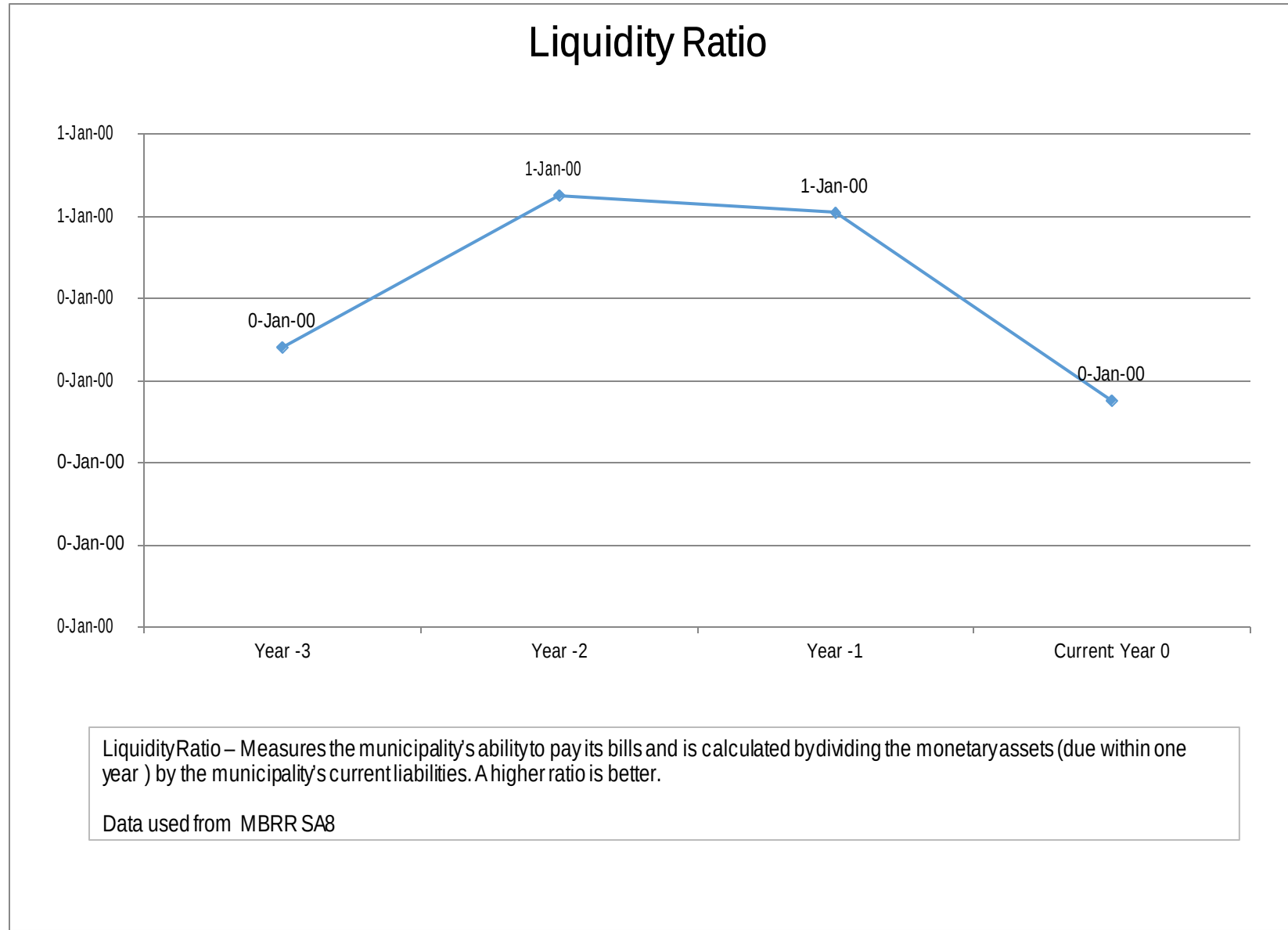
The Asset management policy in the year under review was reviewed and adopted by council. A GRAP compliant fixed asset register was compiled. In the 2015/16 Financial Year, the Asset Register was updated on a quarterly basis. An increase in the Municipal Assets is predominantly as a result of the Infrastructure Assets .i.e. Roads that have been constructed and fully recognised as completed, as well as the work in progress roads.

REPAIRS AND MAINTAINANCE EXPENDITURE: T5.3.4

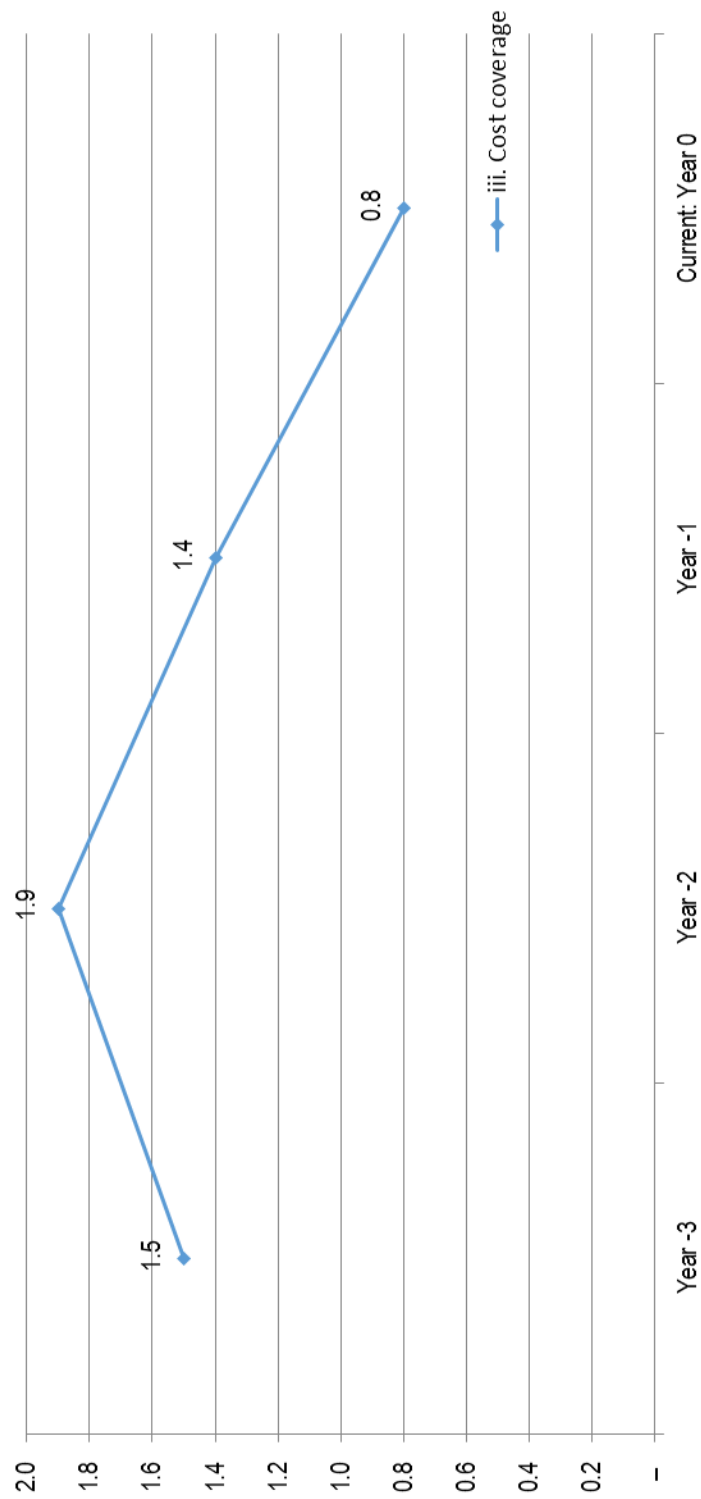
Upon compiling the Infrastructure Asset Register, expenditure for projects that were initially identified as maintenance projects, were transferred to the capital expenditure. As a result the percentage spent for maintenance reflected above is 29% and the variance is 71%.

Repair and Maintenance Expenditure: Year 2016				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	23 774	24 309	4964	79%
T 5.3.4				

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS: T5.4.1-T5.4.9



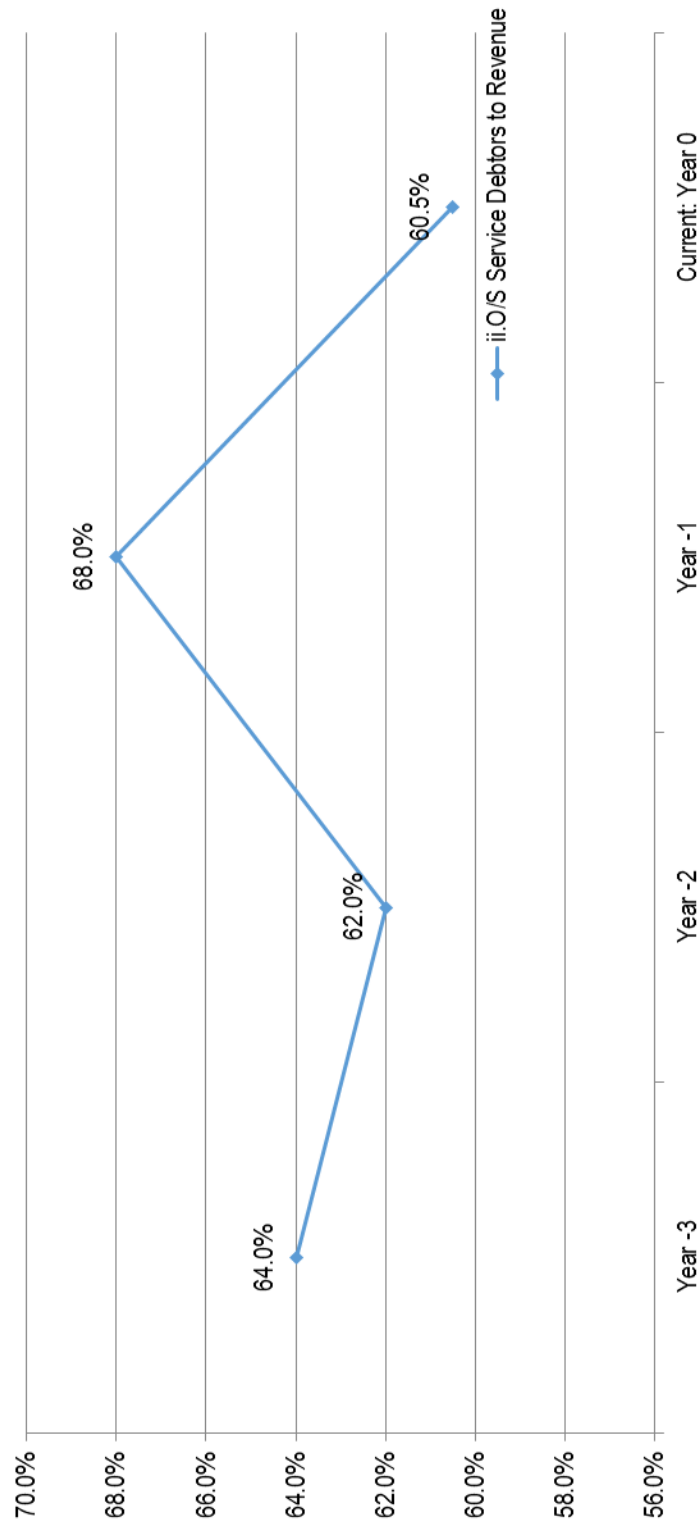
Cost Coverage



Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

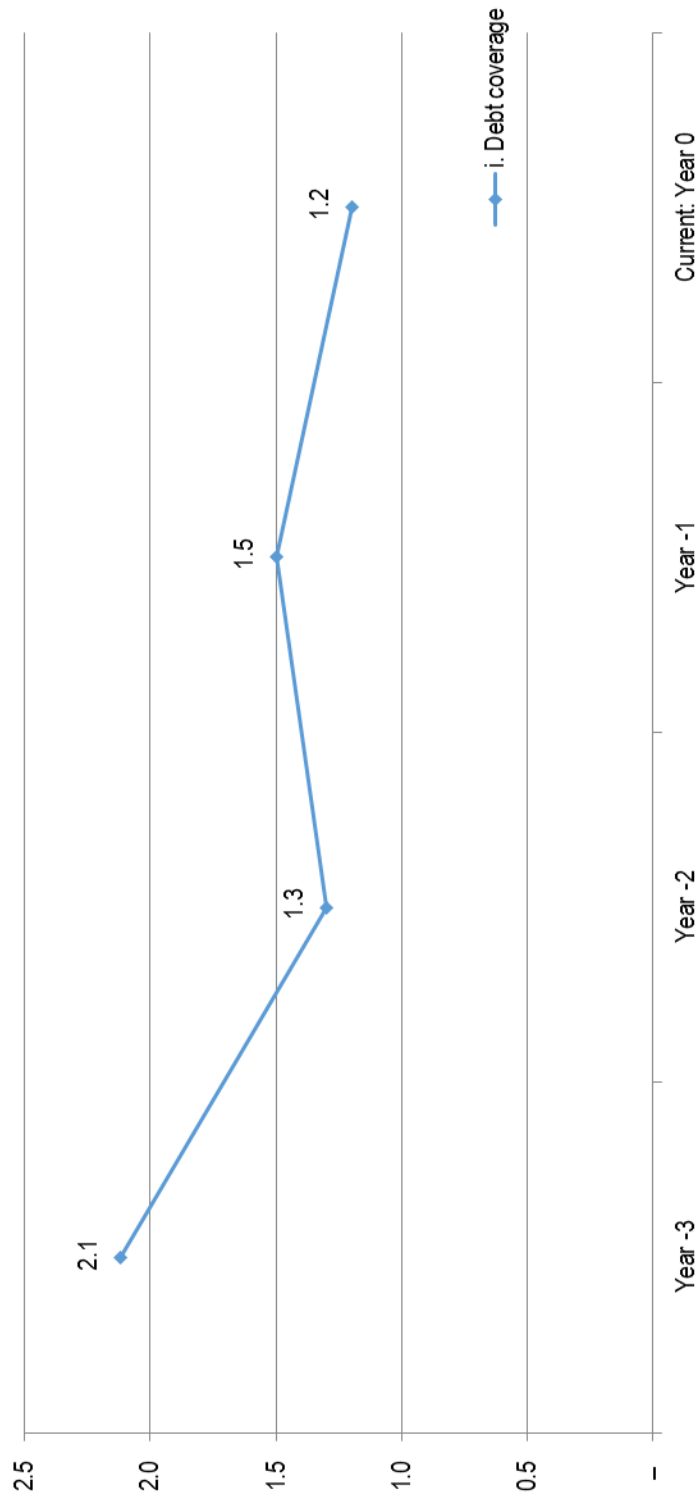
Total Outstanding Service Debtors



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

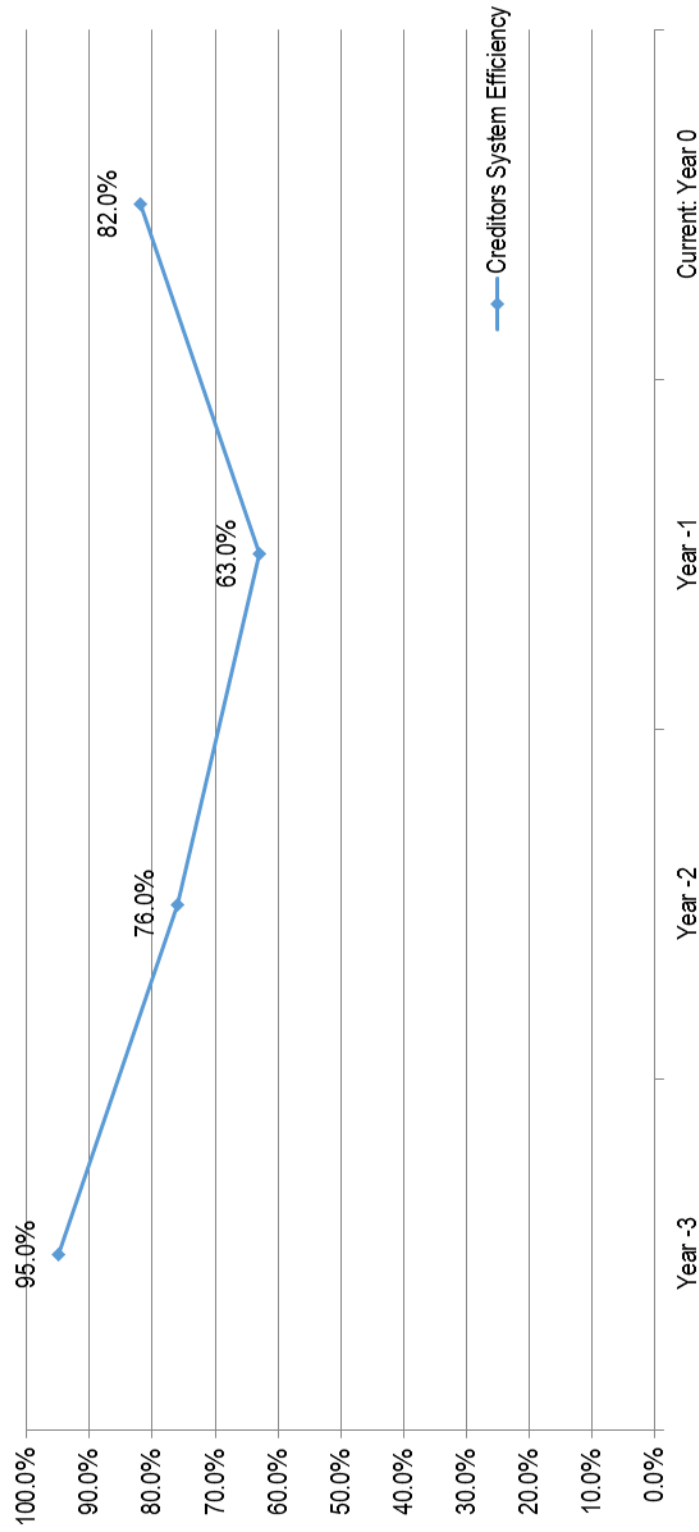
Debt Coverage



Debt Coverage-- The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

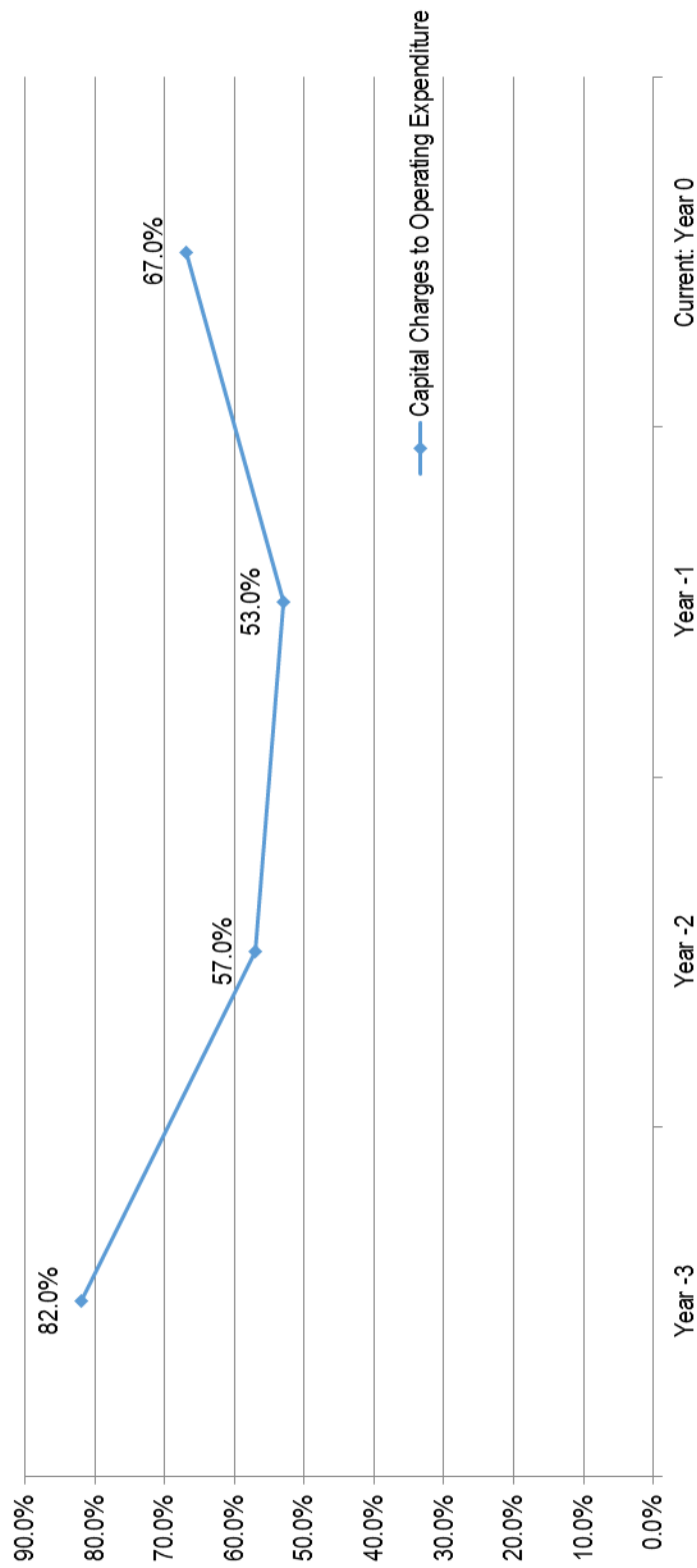
Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

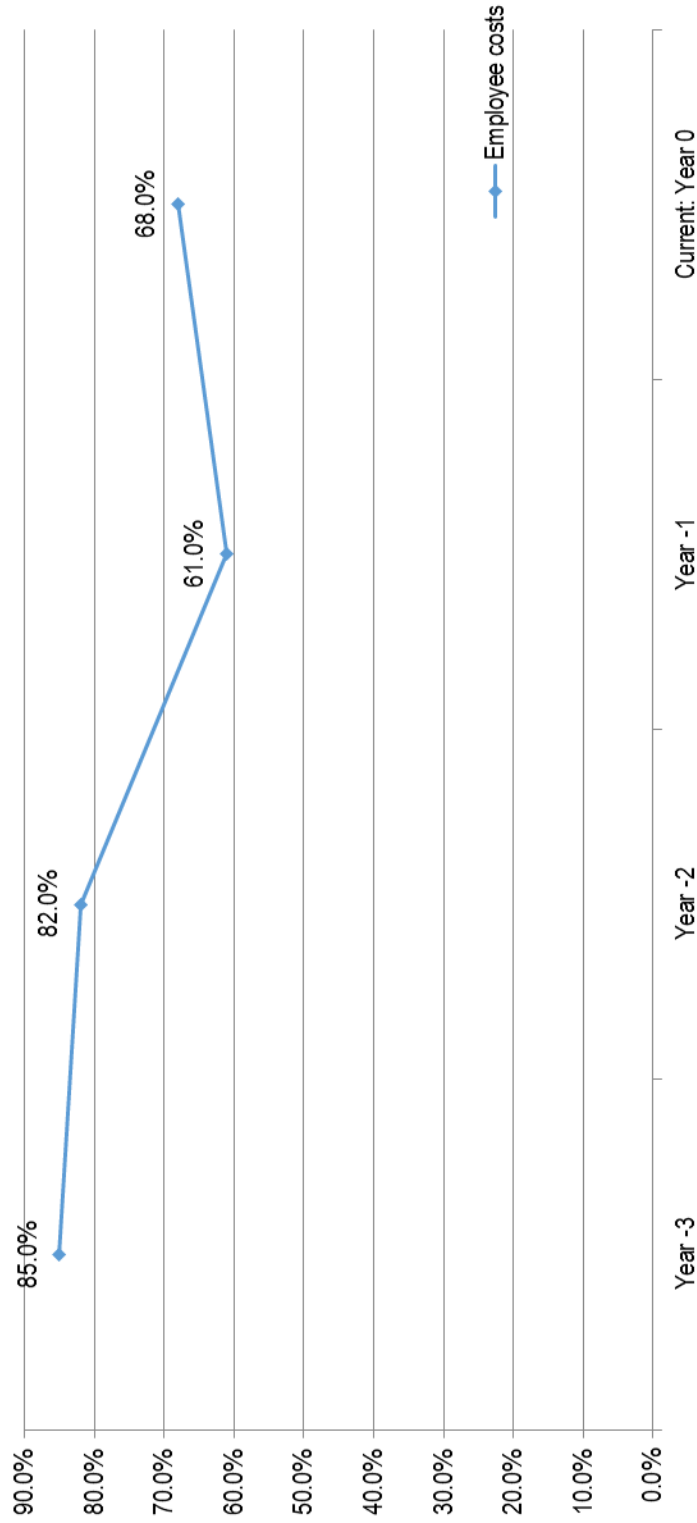
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

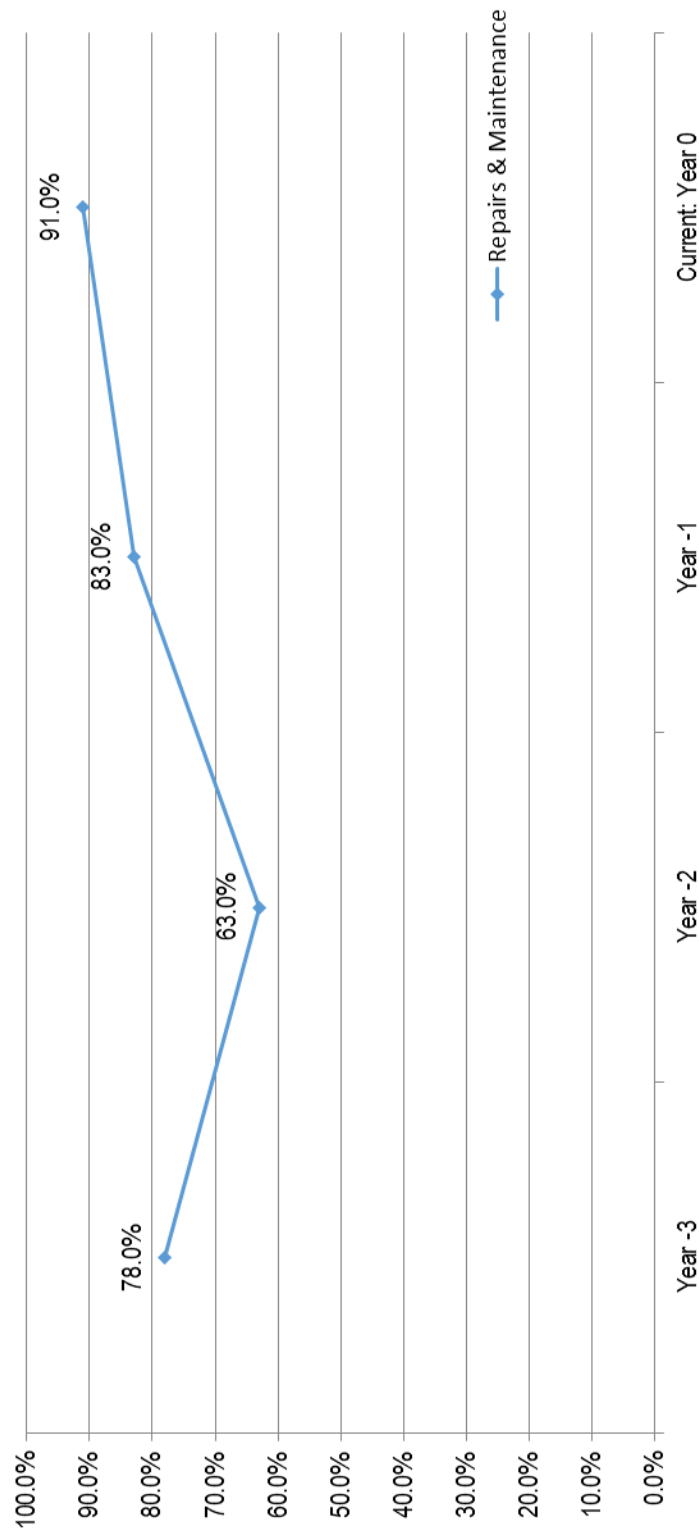
Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

NARRATIVE OF FINACIAL RATIOS (2015-16 Financial Statements)

	Current year actual (2015/2016)			Prior year actual (2014/2015)		
Current Assets	109 071 445	=	526%	75 685 144.00	=	429%
Current Liabilities	20 739 637			17 662 325.00		
(Current Assets - Inventory)	108 711 634	=	524%	75 433 551.00	=	427%
Current Liabilities	20 739 637			17 662 325.00		
(Current Assets - Current liabilities)	88 367 808	=	17%	58 022 819.00	=	13%
Total assets	515 706 279			431 494 467.00		
Increase or decrease in long term loans	-	=	0%	-	=	0%
Cash used in capital expenditure for the year	68 437 504			66 687 000.00		
Current consumer debtors	12 238 720	=	218%	14 979 871.00	=	263%

Total revenue billed for services during the year	5 604 890		5 689 786.00	
Current consumer debtors	12 238 720	=	797.00	14 979 871.00
Total revenue billed for services during the year x 365	5 604 890			5 689 786.00
(Current consumer debtors - Provision for bad debt)	1 370 886	=	24%	4 844 595.00
Total revenue billed for services rendered on credit	5 604 890			5 689 786.00
(Current consumer debtors - Provision for bad debt)	1 370 886	=	89.27	4 844 595.00
Total revenue billed for services rendered on credit x 365	5 604 890			5 689 786.00
Billed revenue levied on consumers	5 604 890	=	183%	5 689 786.00
Average debtor balance	3 059 680			3 744 968.00
Debts written off	6 671 809	=	2.65%	-
Total expenditure	252 039 345			200 012 267.00

Bad debt provision	11 201 849	=	200%	12 766 406.00	=	224%
Billed revenue	5 604 890			5 689 786.00		
Total liabilities	25 450 171	=	5%	21 882 885.00	=	5%
Total assets	515 706 279			431 494 467.00		
Total assets	515 706 279	=	2026%	431 494 467.00	=	1972%
Total liabilities	25 450 171			21 882 885.00		
Total long term debt	4 710 534	=	1.4%	4 220 560.00	=	1.6%
Total operating revenue	333 017 571			263 695 581.00		
Total debt	25 450 171	=	7.6%	21 882 885.00	=	8.3%
Total operating revenue	333 017 571			263 695 581.00		
Long term debt	4 710 534	=	4.41%	4 220 560.00	=	6.56%
Cash generated from operations	106 774 643			64 353 985.00		
Total investments	65 919 012	=	13%	47 591 867.00	=	11%
Total assets	515 706 279			431 494 467.00		
Cost of consultants	3 836 178	=	1.5%	4 238 125	=	2%

Total expenditure	252 039 345		228 805 142	
Fruitless and wasteful expenditure (current year)	<u>5 321</u>	=	<u>5 947</u>	=
Total expenditure	252 039 345		228 805 142	
Irregular expenditure (current year)	<u>2 300 811</u>	=	<u>13 912 082</u>	=
Total expenditure	252 039 345		228 805 142	
Unauthorised expenditure (current year)	<u>0</u>	=	<u>12 228 021</u>	=
Total expenditure	252 039 345		228 805 142	
Unspent grants	<u>2 617 675</u>	=	<u>0</u>	=
Total grants	304 790 325		247 553 541	

Current Ratio

The municipality had a current ratio of 5.26, which demonstrated that the municipality is in a healthy financial state, where its current assets were almost 4 times the value of the current liabilities. The municipality had a favourable working capital.

Acid Test Ratio

The municipality had an acid test ratio of 5.24, which demonstrated that the municipality had assets that could be quickly turned into cash to settle short term obligations. The municipality had an inventory of R359 811 at year end which is not that much material hence the Acid Test Ratio is equal to the Current Ratio.

Working Capital Ratio

The municipality had a favourable working capital of R 88 367 808, however the rate of current assets to total assets was 17%, which means 83% of assets were long term in nature. This is however a small change as compared to previous year where the percentage was 87%.

Financing to Capital expenditure Ratio

The municipality had a ratio of 0%, as there were no long term loans at year end.

Gross Debtors to Annual Revenue Ratio

The municipality had a ratio of 218%. The municipality had a balance of R 12 million of long outstanding debtors. The collection rate is low; the situation is expected to improve after the implementation of credit control policy and collection initiatives.

Gross debtor days Ratio

The average number of day the debtors are due was 797 days. This demonstrates that the majorities of municipal debtors are older than 365 days, thus are potentially bad.

Net debtors to annual revenue Ratio

The municipality had a ratio of 24%. The collection rate is low, so 76% of debtors were provided for impairment at year end. The situation is expected to improve after the implementation of credit control policy and collection initiatives.

Net debtor days Ratio

The average number of days the debtors after provision for impairment was 89 days; the significant decrease as compared to 310 days in previous year, was due to the fact that the municipality wrote off some debtors in the current year.

Receivables turnover Ratio

The municipality had a ratio of 183%. This means that the municipality is billing far more that what it is receiving from customers.

Debts written off as a percentage of total expenditure Ratio:

The ratio was 2.65%. There were debts written off during the year under review worth R 6 671 809.

Debtors' impairment Ratio:

The ratio was 200%. This demonstrates that a majority of debtors are not recoverable and as such have to be provided for impairments. The main contributing factor is the debt from both households and government accounts. The municipality is in the process of implementing and enforcing the credit control and debt collection policy which will reduce the instance of billing indigent debtors.

Debt Ratio

The debt ratio is 5%, which means the municipality's assets far exceed the liabilities. Therefore there are no going concern issues for the municipality.

Debt / net asset position ratio

The debt ratio is 2026%, which means the municipality's assets far exceed the liabilities. Therefore there are no going concern issues for the municipality.

Non-current liabilities to revenue Ratio

The ratio is 1.4%. The long term liabilities of R 4 710 534 is far less than the revenue of R 333 017 571, which means the municipality has sufficient funds to meet its long term liabilities.

Total debt to annual operating revenue Ratio

The ratio is 7.6%; this means the revenue sources are sufficient to cover the total debts.

Debt to cash Ratio

The ratio is 4.41%; this means the revenue sources are sufficient to cover the total debts.

Total investments to total assets Ratio

The ratio is 13% of total assets are investments, which symbolizes the favourable financial position of the municipality. This also demonstrates a moderate level of liquidity.

Consultancy Ratio

The total amount spent on consultants was R 3 836 178 which is 1.5% of the total expenditure cost of R 252 039 345. There has been no material change in terms of percentage when compared to the previous year. The municipality continued to generate its own internal capacity during the year. This is the indicator that the municipality is not overly reliant on consultants.

Fruitless & Wasteful Expenditure Ratio

The municipality incurred penalty interest on late payment of overdue accounts amounting to R 5 321. This equated to 0.00% of total expenditure balance of R 252 039 345.

Irregular Expenditure Ratio

The municipality incurred irregular expenditure amounting to R 2 300 811 during the current year. This equated to 1% of the total expenditure balance of R 252 039 345. Irregular expenditure was mainly due to non-adherence to supply chain regulations. It is notable that there has been a sharp decrease of 81% from prior year Irregular Expenditure balance.

Unauthorized expenditure Ratio

The municipality did not incur any unauthorised expenditure during the current year under review.

Unspent grants Ratio

The municipality had an amount of R2 617 675 unspent conditional grant in relation to the Voting Stations Grant and Ngqeleni Transfer Station Grant that were not fully spent at year end.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5.0 INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

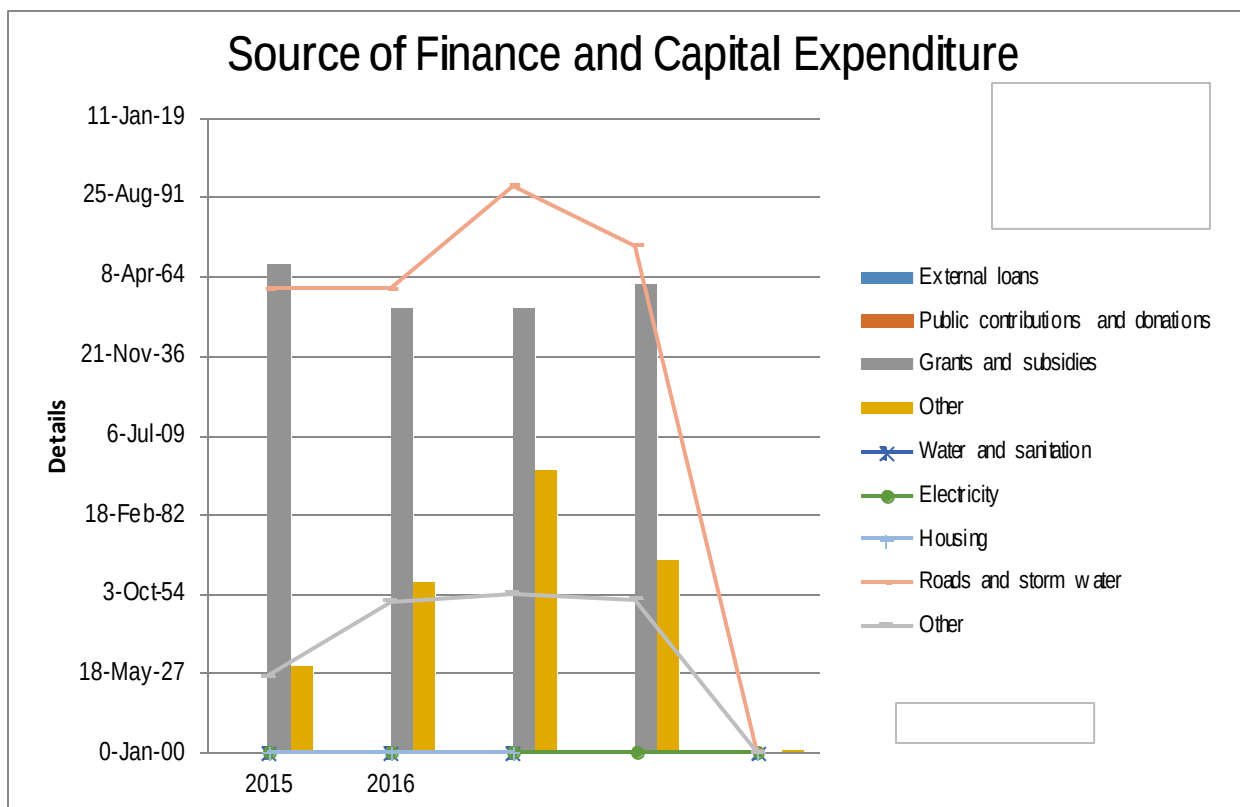
5.5. CAPITAL EXPENDITURE 2015/16

T5.5.1

5.6. SOURCES OF FINANCE

T5.6.1 CAPITAL EXPENDITURE: FUNDING SOURCES

Capital Expenditure - Funding Sources: Year 2014 to Year 2016						
R' 000						
Details	2015	2016				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	0	0	0	0	#DIV/0!	#DIV/0!
Public contributions and donations	0	0	0	0	#DIV/0!	#DIV/0!
Grants and subsidies	61324	55869	55869	58809	0.00%	5.26%
Other	10778	21449	35388	24133	64.99%	12.51%
Total	72102	77318	91257	82942	#DIV/0!	#DIV/0!
Percentage of finance						
External loans	0.0%	0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!
Grants and subsidies	85.1%	72.3%	61.2%	70.9%	#DIV/0!	#DIV/0!
Other	14.9%	27.7%	38.8%	29.1%	#DIV/0!	#DIV/0!
Capital expenditure						
Water and sanitation	0	0	0		#DIV/0!	#DIV/0!
Electricity	0	0	0	0	#DIV/0!	#DIV/0!
Housing	0	0	0		#DIV/0!	#DIV/0!
Roads and storm water	58393	58354	71332	63766	22.24%	9.27%
Other	9476	18964	19925	19176	5.07%	1.12%
Total	67869	77318	91257	82942	#DIV/0!	#DIV/0!
Percentage of expenditure						
Water and sanitation	0.0%	0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!
Electricity	0.0%	0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!
Housing	0.0%	0.0%	0.0%	0.0%	#DIV/0!	#DIV/0!
Roads and storm water	86.0%	75.5%	78.2%	76.9%	#DIV/0!	#DIV/0!
Other	14.0%	24.5%	21.8%	23.1%	#DIV/0!	#DIV/0!
T 5.6.1						



5.7 CAPITAL EXPENDITURE ON LARGEST PROJECTS–

FUNDING SOURCES: T5.7.1

The significant portion of the municipalities largest projects were construction of access roads mainly funded by the Municipal Infrastructure Grant with a budget of R58 809 000.00.

5.8. BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW: T5.8.1-T5.8.2

T5.8.3

Note: Water and Sanitation are services of the District Municipality.

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS

Introduction

The municipality manages its banking arrangements and investments and conduct its cash management services in line with MFMA. Further, the municipality has adopted banking and cash management policy. By the year end (2015/16), the municipality showed a favourable cash balance.

5.9. CASH FLOW: T5.9.1

Cash Flow Outcomes				
R'000				
Description	2015	Current: 2016		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	11 211	16 049	36 049	20 816
Government - operating	186 230	245 817	248 599	245 981
Government - capital	61 324	58 809	58 809	58 809
Interest	4 931	5 300	5 300	7 231
Dividends	–	–	–	–
Payments				
Suppliers and employees	(199 336)	(243 546)	(252 388)	(215 154)
Finance charges	(6)	(110)	(110)	(5)
Transfers and Grants		(5 000)	(5 000)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	64 354	77 319	91 258	117 678
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	1 316	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in current investments	–	–	–	–
Payments				
Capital assets	(74 416)	(77 318)	(91 258)	(82 462)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(73 100)	(77 318)	(91 258)	(82 462)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	(513)	–	–	1 615
Payments				
Repayment of borrowing	(486)	–	–	(578)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 000)	–	–	1 036
NET INCREASE/ (DECREASE) IN CASH HELD	(9 745)	1	1	36 252
Cash/cash equivalents at the year begin:	75 440	75 440	75 440	65 694
Cash/cash equivalents at the year end:	65 695	75 440	75 440	101 947
Source: MBRR A7				T 5.9.1

5.10. BORROWING AND INVESTMENTS

T5.10.2

The Municipality does not have borrowings.

T5.10.4 MUNICIPAL AND ENTITY INVESTMENTS

Municipal and Entity Investments			
			R' 000
Investment* type	2014	2015	2016
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	69 005	47 591	65 919
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
Municipality sub-total	69 005	47 591	65 919
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	-	-	-
Consolidated total:	69 005	47 591	65 919
			T 5.10.4

5.11. PUBLIC PRIVATE PARTNERSHIPS: T.5.11.1

No Public Private Partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12. SUPPLY CHAIN MANAGEMENT: T5.12.1

Section 3(1)(b) and (c) of the SCM Regulations states that the accounting officer of a municipality must at least annually review the implementation of the SCM policy and when necessary submit proposal for the amendment of the policy to council. During the review process undertaken during the 2015/2016 financial year, it became apparent that certain issues needed to be included in the SCM Policy, inter alia, the revised Preferential Procurement Regulations of 2011 released by National Treasury aligning the Regulations with the aims of the Broad-Based Black Economic Empowerment Act and its associated Codes of Good Practice. The policy has been reviewed and adopted by Council in May 2016.

Section 117 of the MFMA states that: "No councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, not attend any such meeting as an observer." The Accounting Officer established a committee system that is consistent with the MFMA and Municipal SCM Regulations for competitive bids consisting of:

- A bid specification committee
- A bid evaluation committee
- A bid adjudication committee

Chapter 6 of the Municipal Regulations on Minimum Competency Levels states that: "The accounting officer and any other official of a municipal entity involved in the implementation of the SCM Policy of the municipal entity must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and power in respect of Supply Chain Management." The regulations indicate the minimum competency levels for Heads and Managers in Supply Chain Management and Supply Chain Management Practitioners.

Supply Chain Management is centralized and situated in the Budget and Treasury Department with 5 staff members. Four of them have registered the Certificate in Municipal Finance with the University of Fort Hare.

5.13. GRAP COMPLIANCE: T5.13.1

GRAP is the acronym for Generally Recognised Accounting Practice and provides the rules by which municipalities are required to maintain their financial accounts. GRAP will ensure that the municipal accounts are comparable and reflect more informative information for the municipality. The municipality has fully complied with GRAP in as far as the Budget and Annual Financial Statements.

CHAPTER 6: AUDITOR- GENERAL AUDIT FINDING

INTRODUCTION: T6.0.1

The Constitution S 188 (1)(b) states that the functions of the Auditor-General includes auditing and reporting on the accounts, financial statements and financial management of all municipalities. Section 126 (1) of Municipal Finance Management Act stipulates that the Accounting Officer of a municipality must prepare annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor –General for auditing. Section 45 of the Municipal Systems Act states that results of performance measurement in terms of section. 41(1) (c) must be audited as part of municipalities internal auditing processes and annually by Auditor- General. The Annual Final Statements and draft annual report have been prepared and tabled to Council on 29 August 2016 for submission to the Auditor-General within the prescribed time-frames.

COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS (2014/15)

The municipality received an unqualified audit opinion with matters of emphasis in 2014/15 financial year. According to the Auditor –General, the financial statements were presented fairly in all material respects, the financial position of the Nyandeni Local Municipality as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with GRAP and the requirements in accordance with GRAP and requirements of MFMA and DORA. Auditor-General found no material findings on the annual performance report concerning the usefulness and reliability of the information.

No	AG Finding	Action/Activity	Responsible Person	Date	COMMENT/PROGRESS
	IRREGULAR EXPENDITURES				
	The municipality incurred irregular expenditure of R13.9 million during the year under review. All of this irregular expenditure was the result of non-compliance with procurement requirements in previous financial years	- Verify expenditure vouchers on a monthly basis to identify irregular expenditure - Identify the reasons for irregular expenditure - Forward the report to the Internal Audit Department on a quarterly basis to perform the audit - Forward the Irregular expenditure report to the Council on a quarterly basis - Perform a detailed investigation to determine whether the irregular expenditure should be recovered or not, from any person or third party	SCM Manager/CFO	Quarterly	Identified irregular expenditure through monitoring processes, and such irregular expenditure was worth R2,3 million. It was a result of non-compliance with SCM Regulations in previous year, and it was approved by Council for write off as at 30 June 2016.
	UNAUTHORISED EXPENDITURES				
	The municipality incurred unauthorised expenditure of R12,2 million during the year ended 30 June 2015. This unauthorised expenditure was mainly due to overspending the employee related cost and remuneration of councillor votes.	- Confirm the budget availability before the actual procurement - Confirm the budget availability of funds before actual payments - Perform analysis of budget vs actual for both operational expenditures and capital expenditures to identify any unauthorized expenditures - Ensure that the remedial actions are taken to deal with unauthorized expenditures - Ensure that any unauthorized	Budget Manager/CFO	Quarterly	No unauthorized expenditure identified and incurred in the current year. Unauthorised expenditure from previous year was condoned by the Council during the year under review.

		expenditures are approved through the adjustment budget Forward the report on unauthorized expenditures to the Council for condonement.			
	REVENUE MANAGEMENT:				
	Interest was not charged on all accounts in arrears as required by section 64(2) (g) of the MFMA	- Forward the report on OLD DEBT BOOK to the Council for write-off i.e. pre-2006 debtors book - Prepare the debtors analysis book to identify any debtors that cannot be recovered and make recommendations for write off - Forward the recommendation on overall debtor's write-off to the Council for approval. - Hold the community meeting with the ratepayers to advise them about the charging of interest on arrears accounts. - Charge the interest on arrear accounts by the 1st of March	Budget Manager/CFO/Accounting Officer	March 2016	Interest on arrear accounts was charged by the municipality to all arrear accounts in June 2016

T6.2.1 and T6.2.2:

COMPONENT B: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS 2015/16

The municipality received an unqualified audit opinion with no findings (Clean Audit) in 2015/16 financial year. According to the Auditor –General, the financial statements were presented fairly in all material respects, the financial position of the Nyandeni Local Municipality as at 30 June 2016, and its financial performance and cash flows for the year then ended in accordance with GRAP and the requirements in accordance with GRAP and requirements of MFMA and DORA. Auditor-General found no material findings on the annual performance report concerning the usefulness and reliability of the information.

AUDIT REPORT AS AT 30 JUNE 2016: T6.2.3

Audit report to be attached as Annexure B.

T6.2.4: COMMENTS ON AUDITOR-GENERAL'S OPINION AS AT 30 JUNE 2016

No	AG Finding	Action/Activity	Responsible Person	Date	COMMENT
	PROCUREMENT AND CONTRACT MANAGEMENT				
	Irregular Expenditure – R0 (%) of irregular expenditure incurred in the current year was as a result of the contravention of SCM Legislation. Further irregular expenditure as a result of non-compliance with procurement requirements in previous financial years amounting to R2 300 811 was identified in the current year by the municipality's monitoring process. Of all the irregular expenditure incurred, good and/or services were received.	- Verify expenditure vouchers on a monthly basis to identify irregular expenditure - Identify the reasons for irregular expenditure - Forward the report to the Internal Audit Department on a quarterly basis to perform the audit - Forward the Irregular expenditure report to the Council on a quarterly basis - Perform a detailed investigation to determine whether the irregular expenditure should be recovered or not , from any person or third party	SCM Manager/CFO	Quarterly	

	Contracts were awarded to bidders who did not score the highest points in the bid evaluation, and there was no justification for the deviation. This has not led to irregular expenditure in the current year as no payments have been made to this award.	- Develop an automated spreadsheet to calculate the allocation of BBBEE points - Ensure that the review of such calculations is done whenever there are tenders to be evaluated	SCM Manager & CFO	Ongoing	
STATEMENT OF FINANCIAL POSITION:					
	1. Receivables VAT: Difference noted in VAT reconciliation test	- Ensure that reconciliation between VAT 201 returns and General Ledger is made - Trace any unusual variances and process necessary entries - Cross reference the balance to the trial balance and financial statements	Budget Manager/CFO	Monthly	

	2. Property, plant and equipment • Differences between land listed in FAR and deed's office records • Differences between AFS and FAR/WIP register	• Obtain the deeds download on a quarterly basis to inspect any transfers made • Perform reconciliation between the Deeds information, Valuation Roll and the Fixed Asset Register • Update the Fixed Asset Register with the deeds information as well as valuation roll information • Reconcile the Fixed Asset Register with the General Ledger for accuracy of the disclosure note in the Financial Statements • Ensure that Work-in – progress register, Fixed Assets Register is reconciled to the Ledger, and it ties with the financial statements. Any variances should be cleared and updated in both the Fixed Asset Register and General Ledger on a quarterly basis.	Assistant Manager Asset, Budget Manager & CFO	Quarterly	
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		• At year end, ensure that the FAR is reconciled and tie with the Annual Financial Statements			
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The Municipality commits to monitor the action plan and to report to Council Quarterly on the progress thereof.

T6.2.5 COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES

The Municipality can confirm that all section 71 reports have been submitted timeously to the Treasury in year 2015/16.

ANNEXUTURE A AS PER SECTION 121 OF MFMA ARE ATTACHED AS VOLUME; REST OF ANNEXURES AND APPENDICES TO BE INCLUDED IN FINAL REPORT

Note: the page number and table of contents to be aligned during final printing.



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